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**REPORT OF THE EMERGENCY TAX AND REVENUE
FACT FINDING COMMITTEE FOR THE COMMONWEALTH OF PENNSYLVANIA**

Report
of the
EMERGENCY TAX
and
REVENUE FACT-FINDING COMMITTEE
for
THE COMMONWEALTH OF PENNSYLVANIA



HARRISBURG, PENNSYLVANIA

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HARRISBURG, PENNA.
OCTOBER 12, 9:39 PM

PRESIDENT HAROLD E. STASSEN
UNIVERSITY OF PENNSYLVANIA
PHILADELPHIA, PENNA.

AS YOU ARE AWARE THE REVENUE AND TAX PROBLEM OF THE COMMONWEALTH OF PENNSYLVANIA FOR THE PRESENT BIENNIUM IS STILL UNRESOLVED BY THE GENERAL ASSEMBLY. VERY FEW APPROPRIATIONS HAVE THEREFORE BEEN PASSED BY THE LEGISLATURE PENDING PASSAGE OF TAX MEASURES.

THIS SITUATION VERY DIRECTLY AND SERIOUSLY AFFECTS SOME UNIVERSITIES AND COLLEGES OF THE STATE AS WELL AS THE HOSPITALS, SCHOOLS, AND MANY OTHER STATE SERVICES.

IF YOU CAN BE HELPFUL AT THIS TIME I INVITE YOUR FOUR INSTITUTIONS TO ASSIST THE COMMONWEALTH BY USING THE RESEARCH AND TECHNICAL FACILITIES AVAILABLE TO YOU THROUGH YOUR RESPECTIVE FACULTIES, FOR THE PURPOSE OF MAKING AN IMMEDIATE SPECIAL JOINT STUDY OF THE REVENUE AND TAX PROBLEMS OF THE COMMONWEALTH.

I HOPE I MAY HAVE A REPORT OF THE FINDINGS WITH RECOMMENDATIONS PRIOR TO THE RECONVENING OF THE LEGISLATURE ON DECEMBER 10, 1951.

I SHALL INSTRUCT DR. EDWARD B. LOGAN, SECRETARY OF THE BUDGET, AND OTTO F. MESSNER, SECRETARY OF REVENUE, TO MAKE AVAILABLE TO YOU SUCH PERTINENT DATA AS YOU MAY REQUIRE FOR THIS STUDY.

A SIMILAR TELEGRAM IS BEING SENT TO CHANCELLOR RUFUS H. FITZGERALD, PRESIDENT ROBERT L. JOHNSON AND PRESIDENT MILTON S. EISENHOWER.

SINCERELY

JOHN S. FINE

The PENN HARRIS HOTEL

HARRISBURG ♦ PENNSYLVANIA

C
O
P
Y

Harrisburg, Pennsylvania
October 18, 1951

Hon. John S. Fine, Governor
Commonwealth of Pennsylvania
State Capitol
Harrisburg, Pennsylvania

Dear Mr. Governor:

The four university presidents to whom you addressed your telegram of October 12, 1951, requesting the assistance of university experts in studying the present tax and revenue problems of the Commonwealth, have met in Harrisburg today to determine how we may best be of help to the Commonwealth.

We are agreed that tax and finance authorities of the four institutions can bring together by December 10, factual evidence and analyses which may throw considerable light on these complex problems.

We are also agreed that this Committee of experts, which we would call the Emergency Tax and Revenue Fact-Finding Committee for the Commonwealth of Pennsylvania, should restrict itself to the preparation and analysis of relevant data, and should not make policy or legislative recommendations, for these are, of course, the prerogatives of the Governor and the legislature.

We would appreciate it if you would designate a person in the State government who would arrange the necessary office facilities and stenographic assistance for the study group.

We hope very much that our suggestion is agreeable to you, and that a factual study will be of genuine service to you, the legislature, and the people of the Commonwealth.

Respectfully yours,

ROBERT L. JOHNSON, Temple University
MILTON S. EISENHOWER, Penn State College
HAROLD E. STASSEN, University of Pennsylvania
R.H. FITZGERALD, Chancellor
University of Pittsburgh
by CHARLES B. NUTTING, Dean

*Membership of the
Committee*

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UNIVERSITY OF PENNSYLVANIA

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Stephen B. Sweeney



PENNSYLVANIA STATE COLLEGE

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Eugene A. Myers
Randall S. Stout, *Secretary*



TEMPLE UNIVERSITY

Sterling K. Atkinson
Stanley F. Chamberlin
Russell H. Mack



UNIVERSITY OF PITTSBURGH

Robert D. Ayars
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Marion K. McKay

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Introduction

It is the purpose of this fact-finding study of the present financial situation of the Commonwealth of Pennsylvania to assemble such data as are available and are necessary to indicate the nature of the problem. Trends in Pennsylvania state expenditures and revenues are noted and compared. The finances of Pennsylvania are also compared with those of other states similar in important respects and are related to various measures of economic activity in those states.

It is not the purpose of this study to pass judgment upon the necessity for particular appropriations or taxes. This is a responsibility which the Committee was not asked to assume. Rather, it is the purpose of this study to assemble essential facts and let them speak for themselves.

Since the current crisis has developed out of the problems arising in financing the General Fund appropriations, the present analysis is essentially a survey of the financial facts pertinent to the General Fund.

Summary of the General Fund Problem

THE 1951 - 1953 BIENNIUM

Funds Available From Surplus and Legislative Transfers.....\$ 19.4 million

Estimated Revenues From Existing Sources:

Estimates of the Budget Bureau.....\$754.0 million

Estimates of the Committee.....\$776.4 million

Total Funds Available:

Estimates of the Budget Bureau.....\$773.4 million

Estimates of the Committee.....\$795.8 million

The Appropriation Outlook* (As Reported by the Budget Bureau)

The Governor's Budget of March, 1951.....\$853.5 million

Additional Appropriations requested by the Governor.....\$ 10.6 million

Total Governor's Proposals.....\$864.1 million

Appropriations increases (net) thus far reported out by Com-

mittees of the Legislature.....\$ 43.3 million

Total Budget under consideration.....\$907.4 million

THE ESTIMATED DEFICIT (if Budget of \$907.4 million should
be adopted)

Estimate of Budget Bureau.....\$134.0 million

Estimate of the Committee.....\$111.6 million

* The total appropriations finally adopted will be determined by the action of the Legislature and the Governor. These figures are cited for illustrative purposes only. The total actual appropriations could be larger or smaller than indicated.

The General Fund Budget

The General Fund budget submitted to the General Assembly in March for the 1951-1953 biennium proposed appropriations totaling \$853,513,930.

Subsequently the Governor has requested additional appropriations of \$10,563,000.

We are advised by the Budget Bureau that Appropriations Committees have thus far reported out or have under active consideration increases in appropriations amounting to \$56,570,897. But they have voted to decrease other appropriations by \$13,258,100. Hence, total appropriations reported out or under active consideration have been increased by \$43,312,797.

If the increases recommended by the Governor and those bills reported out or under active consideration by Appropriations Committees are finally approved and the remaining appropriations requested by the Governor are also approved, a total General Fund budget of \$907,389,727 will be the result, according to the Budget Bureau.

General Fund appropriations already approved in this legislative session total \$178,276,000.

The total General Fund budget will obviously depend upon the actions taken to reduce or increase specific appropriation proposals. Both reductions and increases are being proposed by interested persons and groups.

In recent biennia, the aggregate General Fund appropriations finally adopted, including deficiency and additional appropriations, have substantially exceeded the Governor's original proposals. For example, in 1949-1951, the Governor initially proposed appropriations of \$695,219,000, but total appropriations of \$766,095,000 were finally approved.

The trend of General Fund Appropriations for the biennia from 1943-45 to 1951-53 is indicated in Table 1. The General Fund Revenues for the same period are shown in Table 2. The trends of biennial General Fund Appropriations and Revenues for the period 1943 to 1953 are indicated graphically in Chart I.

TABLE 1

**THE PROPOSED 1951-1953 GENERAL FUND BUDGET AND
ACTUAL APPROPRIATIONS FOR PRECEDING BIENNIA
STATE GENERAL FUND APPROPRIATIONS*—1943-1953**

(In Thousands)

	1943-45	Biennial Periods		1949-51	Budget Proposals, March 1951**
		1945-47	1947-49		1951-53
EXECUTIVE DEPARTMENTS—TOTAL ¹	\$334,053	\$409,830	\$555,139	\$712,883	\$745,695
Public Instruction	144,540	172,597	240,532 ⁵	298,206	368,689
Public Assistance	89,232	111,620	146,490	196,100 ⁶	136,300
Welfare	57,423	67,922	94,584	111,095	123,094
State Institutions	45,925	55,673	78,856	91,870	102,523
Other	11,498	12,249	15,729	19,225	20,571
Health ¹	8,137	13,789	20,249	23,815	25,390
Labor and Industry	4,375	4,738	5,629	7,448	7,700
Agriculture	3,885	4,466	5,125	6,270	6,270
Military Affairs ¹	3,506	3,147	5,134	7,408	7,154
Forests and Waters ¹	2,744	3,172	3,698	4,050	7,255
Property and Supplies ¹	3,056	4,392	5,412	7,862	8,034
Revenue Department	3,318	3,571	4,517	5,050	5,524
Departments Independent of Governor ²	4,191	4,495	5,318	6,141	7,217
Other Departments, Commissions, etc.	9,646	15,921	18,451	39,438 ⁷	43,068 ⁸
LEGISLATIVE ³	2,201	2,524	3,494	3,760	3,473
JUDICIAL ³	5,406	5,483	6,326	6,601	6,636
CONSTRUCTION AND LAND PURCHASE	12,418	54,835	17,948	17,702	7,620
RETIREMENT OF STATE EMPLOYEES	2,846	3,091	3,911	4,643	6,756
INTEREST AND SINKING FUND	18,406	55,614 ⁴	11,991	20,506 ⁹	83,334 ⁹
TOTAL APPROPRIATIONS	\$375,330	\$531,377 ⁶	\$598,808	\$766,095	\$853,514

SOURCE — *State Budget Bureau.*

* Excludes "Specific Receipts Appropriated for Special Purposes." Additional and deficiency appropriations are included in the biennium to which they apply. ¹ Excludes appropriations for construction and land purchase. ² Lieutenant-Governor, Auditor General, Treasurer, Department of Internal Affairs. ³ Includes allocation from appropriations to Property and Supplies. ⁴ Includes State Authority bond redemptions of \$48,870,240. ⁵ Appropriation for Public School Building Authority is included under "other." ⁶ Includes contingent appropriation of \$25,000,000. ⁷ Includes \$15,000,000 for housing program. ⁸ Includes \$20,000,000 for civil defense. ⁹ Includes appropriation for General State Authority rentals.

** The Governor has subsequently requested additional appropriations of \$10,563,000. Net appropriation increases as of November 26, 1951 which have been reported out by Committees of the Legislature total \$43,312,797.

TABLE 2
STATE GENERAL FUND REVENUES
1943-1953
(In Thousands)

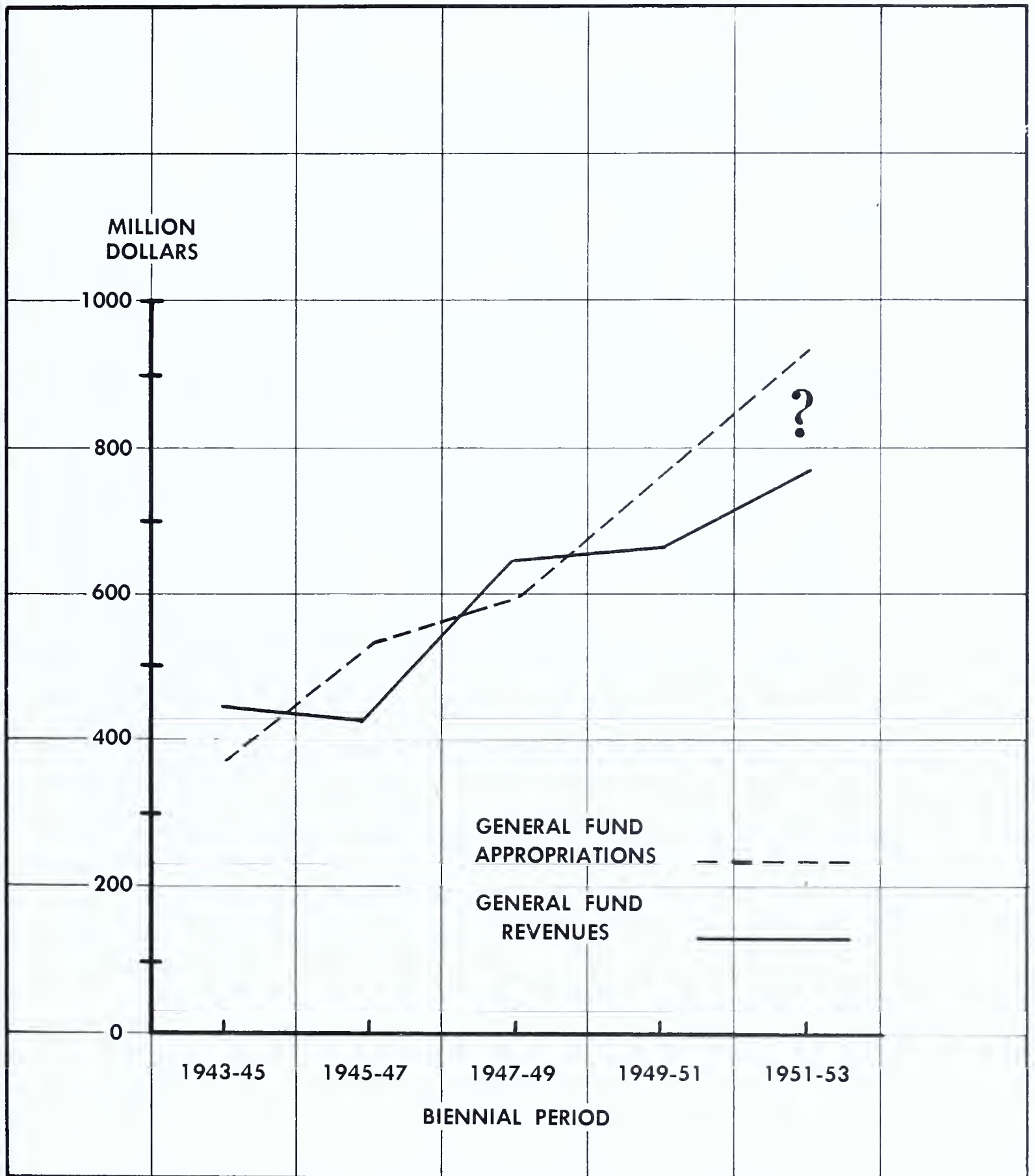
	<i>Biennial Periods</i>				<i>Budget Bureau Estimates For</i>
	<i>1943-45</i>	<i>1945-47</i>	<i>1947-49</i>	<i>1949-51</i>	<i>1951-53*</i>
TOTAL TAXES	\$391,267	\$340,110	\$535,238	\$565,428	\$620,849
Cigarettes	26,987	37,871	78,476	86,139	89,000
Malt Beverage	20,973	23,195	48,721	46,278	46,000
Liquor	23,677	30,975	37,764	36,734	39,200
Soft Drinks .....	....	....	26,930	27,393	....
Liquid Fuels	22,168	1,208	....	....	....
Corporate Net Income	129,498	93,600	152,994	154,867	235,000
Capital Stock—Franchise	67,980	62,920	87,381	104,100	108,750
Public Utility—Gross Receipts	17,595	14,337	18,459	20,829	21,500
Insurance Co.—Gross Premiums	16,540	18,745	20,197	21,449	22,735
Corporate Bonus & Bank Shares	13,667	10,533	11,207	14,455	12,900
Corporate Loans	8,275	4,685	3,827	3,268	3,300
Inheritance	34,991	38,780	46,793	46,598	42,078
Miscellaneous	8,917	3,261	2,490	3,318	2,787
LIQUOR STORE PROFITS	34,000	59,000	77,000	80,000	87,600
OTHER REVENUES—TOTAL	26,266	33,447	35,230	41,782	43,148
Licenses, Fines, Etc.	10,316	10,884	11,996	13,196	12,828
Institutional Receipts	12,391	15,802	18,133	20,311	20,335
Miscellaneous	3,559	6,760	5,101	8,275	9,987
TOTAL REVENUES	\$451,534	\$432,557	\$647,467	\$687,210	\$754,000

 SOURCE — *State Budget Bureau.*

* Budget Bureau estimates as of November 26, 1951.

CHART I

The Biennial Trend in General Fund Appropriations and Revenue 1943 to 1953



The Trend of State Expenditures

IN PENNSYLVANIA AND OTHER STATES

As the preceding tables show, state General Fund appropriations increased from \$375 million in the 1943-1945 biennium to \$766 million in 1949-1951. With a few exceptions, of which those for Public Assistance have recently been a notable exception, state appropriations have been increasing for all important services.

If present requests for General Fund appropriations should be adopted, total appropriations beyond \$900 million would materialize for 1951-1953.

A continuation of such an upward trend would probably raise the General Fund budget to a sum exceeding \$1.0 billion in 1953-1955.

The rising trend of state government expenditures has not, of course, been peculiar to Pennsylvania. Table 3 compares total annual state expenditures from independent state revenue sources, excluding Federal Aid, in Pennsylvania and the 48 states in the years from 1940 to 1950.

In 1940, Pennsylvania state expenditures, from the General Fund and other independent revenues, amounted to \$326 million, or 9.0% of total U. S. state expenditures. In 1949 they were \$520 million, or 5.8%. By 1950, after a veterans' bonus had been voted, they were \$801 million or 8.1%. That year Pennsylvania distributed \$187.5 million in a veterans' bonus.

As in other states, the greater demand for public services by a growing population and the generally increasing costs of goods and services have contributed to the upward trend of state expenditures in Pennsylvania. In 1940 Pennsylvania had a population of 9.9 million, in 1950, 10.5 million, an increase of some 6 per cent. Also, for example, General Fund cash expenditures in Pennsylvania for salary and wages increased from \$38.1 million in 1940 to \$75.0 million in 1950 or 96.8%; cash expenditures for motor vehicles, equipment, and machinery increased from \$0.7 million to \$4.1 million, or 585.7%; and expenditures for food and forage from \$3.6 million to \$7.3 million, or 202.8% in the same period.

Since expenditure for public education is an important item in the budgets of all states, the overall problem of General Fund financing may be illustrated in some measure by reference to the present trend of these costs in Pennsylvania.

Present laws make mandatory state expenditures of \$230 million for salaries of public school teachers and other personnel in the biennium 1951-1953 and in each succeeding biennium.

Moreover, if House Bills 333 and 334 are adopted, state mandated expenditures for salaries of public school employes, subsidies, and related items will increase further to \$286 million in 1951-1953 and to \$326 million in 1953-1955. These bills would require annual increases in subsequent years. (*See Table 3 in Appendix*)

TABLE 3

THE TOTAL ANNUAL STATE EXPENDITURE TREND

1940-1950

Year	In Millions In United States	In Pennsylvania	Per cent Pennsylvania of Total
1940	\$ 3,612	\$ 326	9.0%
1941	3,585	259	7.2%
1942	3,631	300	8.2%
1943	3,506	248	7.0%
1944	3,561	234	6.5%
1945	3,750	248	6.6%
1946	4,416	262	5.9%
1947	5,827	355	6.0%
1948	7,723	433	5.6%
1949	8,824	520	5.8%
1950	9,849	801	8.1%

SOURCE — National Industrial Conference Board, *Economic Almanac*.

The Total Biennial Budget

OF THE COMMONWEALTH

The relationship of the General Fund budget to the total budget of the Commonwealth in 1951-1953 is indicated in a summary of the budget as originally presented to the General Assembly by the Governor in March, 1951.

General Fund	\$ 853,513,930
Motor License Fund	353,467,314
Fish Fund	3,464,277
Game Fund	6,989,167
Banking Department Fund	1,561,562
Milk Control Fund	811,850
State Farm Products Show Fund	342,402
	<hr/>
	\$1,220,150,502

The above expenditures do not include expenditures from numerous other funds, including Federal Aid, the General State Authority, the State Highway Authority, and Unemployment Compensation which would substantially increase total state expenditures.

Total State Expenditures

IN 15 STATES — 1950

In comparison with other similar states in 1950, Pennsylvania ranked third in total state expenditures, excluding Federal Aid. (See Table 4 and Chart II.) In 1950, it should be pointed out, Pennsylvania paid out \$187.5 million in bonuses to war veterans. In that year it ranked third, also, in population. (See Appendix, Table 5.)

In 1950, it ranked third, also, in per capita state expenditures (Table 4) but fourth in the ratio of state expenditures to income payments to individuals (Table 5).

The rank of Pennsylvania as compared with the other 14 states, in state expenditures for the major public services in 1950 is shown in Table 6, as is the allocation of total state expenditures by states among the various public functions.* Pennsylvania ranked third in Public Safety, third in Public Welfare, third in Highways, second in Hospitals and Health, and fifth in Education.

* Further comparisons by functions for each of these states are given in the Appendix, Tables 7 to 15 inclusive.

TOTAL STATE EXPENDITURES, 1950¹

Total Expenditure (thousands) ²			Per Capita Expenditure (Including veterans' bonus payments) ²			Per Capita Expenditure (Excluding veterans' bonus payments)		
RANK	STATE	AMOUNT	RANK	STATE	AMOUNT	RANK	STATE	AMOUNT
1st	California	\$1,047,800	1st	California	\$98.98	1st	California	\$98.98
2nd	New York	993,700	2nd	Michigan	76.74	2nd	Michigan	76.41
3rd	PENNSYLVANIA	800,600	3rd	PENNSYLVANIA	76.26	3rd	Maryland	71.44
4th	Michigan	489,000	4th	Maryland	71.44	4th	North Carolina	67.60
5th	Ohio	435,500	5th	North Carolina	67.60	5th	Connecticut	66.75
6th	Illinois	427,700	6th	Connecticut	67.40	6th	New York	65.81
7th	Texas	335,400	7th	New York	67.01	7th	West Virginia	64.67
8th	Massachusetts	295,200	8th	West Virginia	64.67	8th	Massachusetts	62.74
9th	North Carolina	274,600	9th	Massachusetts	63.93	9th	Wisconsin	62.61
10th	Indiana	225,000	10th	Wisconsin	62.61	10th	PENNSYLVANIA	59.40
11th	Wisconsin	214,200	11th	Indiana	57.19	11th	Indiana	52.87
12th	New Jersey	175,700	12th	Ohio	57.07	12th	Ohio	52.64
13th	Maryland	167,400	13th	Illinois	49.09	13th	Illinois	48.24
14th	Connecticut	134,700	14th	Texas	43.50	14th	Texas	43.50
15th	West Virginia	129,000	15th	New Jersey	36.34	15th	New Jersey	36.34

¹ Figures exclude aid received by the state from Federal and from local units of the government. Total expenditures include: General Control, Public Safety, Highways, Natural Resources, Hospitals and Health, Public Welfare, Correction, Education, Interest, and Miscellaneous.

² Includes the following veterans' bonus (World War II) payments: Ohio, \$9,401,000; Illinois, \$7,425,000; Massachusetts, \$889,000; Indiana, \$14,034,000; Connecticut, \$726,000; Michigan, \$2,087,000; New York, \$17,765,000; Pennsylvania, \$187,497,000.

SOURCE: National Industrial Conference Board: *Economic Almanac*, 1951-52, (Table: "State Expenditures, by Function, by State, 1950"), p. 499.

CHART II

TOTAL STATE EXPENDITURES IN 15 SELECTED STATES, 1950

(in millions of dollars)

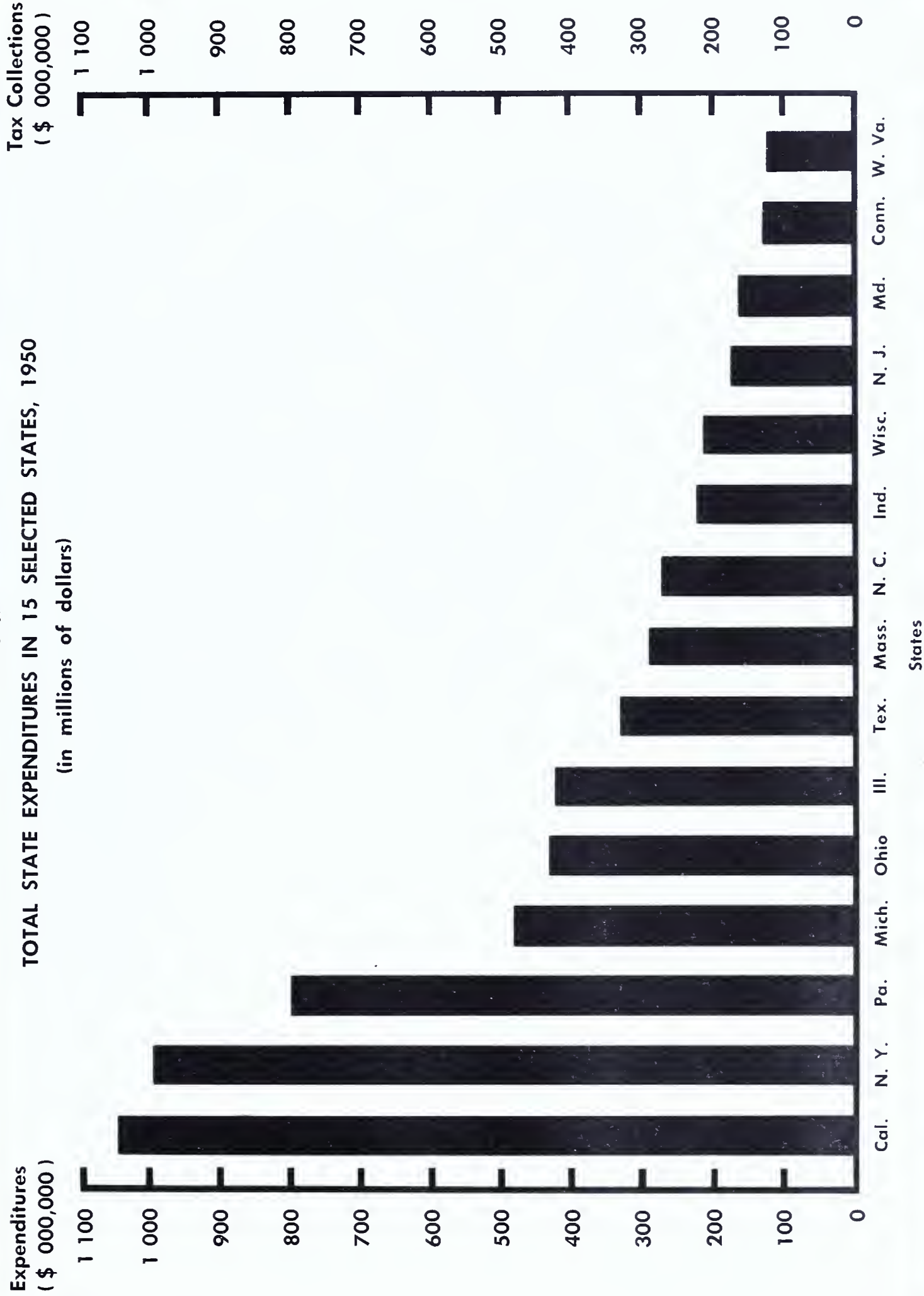


TABLE 5

**RATIO OF STATE EXPENDITURES
TO
INCOME PAYMENTS TO INDIVIDUALS
(1950)**

RANK	STATE	%
1st.....	North Carolina	7.1%
2nd.....	West Virginia	6.1
3rd.....	California	5.7
4th.....	PENNSYLVANIA	5.0
5th.....	Maryland	4.9
6th.....	Michigan	4.8
7th.....	Wisconsin	4.3
8th.....	Indiana	3.9
9th.....	Massachusetts	3.9
10th.....	Connecticut	3.8
11th.....	Ohio	3.6
12th.....	New York	3.5
13th.....	Texas	3.4
14th.....	Illinois	2.8
15th.....	New Jersey	2.3

STATE EXPENDITURES BY FUNCTION, 1950¹
(In millions of dollars)

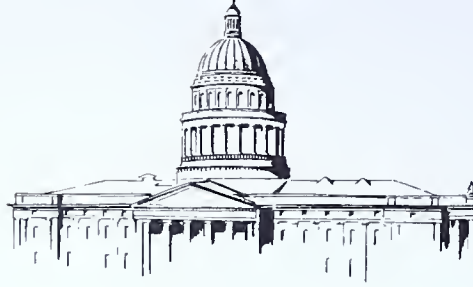
	GENERAL CONTROL		PUBLIC SAFETY		HIGHWAYS		NATURAL RESOURCES		HOSPITALS AND HEALTH		PUBLIC WELFARE		CORRECTION		EDUCATION		INTEREST		RANK	
	RANK		RANK		RANK		RANK		RANK		RANK		RANK		RANK		RANK		RANK	
California	44.5	1	33.1	2	174.5	1	48.3	1	81.9	3	176.1	1	37.8	1	325.8	1	2.5	9		
Connecticut	6.9	11	5.4	11	31.4	15	2.7	15	24.6	9	16.6	9	3.1	13	31.5	15	0.2	14		
Illinois	16.9	4	16.2	4	89.9	6	12.2	4	59.3	4	84.2	4	11.9	3	104.3	9	9.6	2		
Indiana	6.8	12	6.2	10	52.3	11	5.7	10	24.8	8	8.8	12	4.8	11	89.6	10	0.3	13		
Maryland	7.3	10	4.1	13	52.4	10	3.9	12	21.2	12	7.4	14	5.3	9	47.8	11	0.7	12		
Massachusetts	14.3	5	9.1	8	46.2	13	3.9	13	45.9	6	45.7	7	8.0	6	34.1	13	2.7	8		
Michigan	10.5	7	10.4	5	77.6	8	10.5	5	54.5	5	56.4	6	10.0	4	189.9	3	4.3	4		
New Jersey	9.9	9	9.4	7	58.8	9	4.4	11	22.4	11	13.1	11	5.6	8	33.7	14	3.1	7		
New York	44.2	2	33.6	1	144.7	2	16.4	3	153.0	1	148.5	2	22.2	2	270.4	2	17.8	1		
North Carolina	4.6	14	5.3	12	90.9	5	7.1	8	22.5	10	3.9	15	2.2	14	119.4	7	3.9	5		
Ohio	11.6	6	9.4	6	117.5	4	8.4	7	43.6	7	58.5	5	7.5	7	133.7	6	4.3	3		
PENNSYLVANIA	20.2	3	23.0	3	142.2	3	27.1	2	91.6	2	108.5	3	8.6	5	149.5	5	3.8	6		
Texas	10.2	8	8.4	9	79.5	7	7.0	9	18.4	13	36.7	8	4.3	12	158.5	4	0.9	11		
West Virginia	3.8	15	3.9	15	38.2	14	3.1	14	8.3	15	8.4	13	1.8	15	56.9	8	1.6	10		
Wisconsin	5.5	13	4.0	14	51.3	12	9.1	6	16.5	14	14.5	10	5.0	10	45.7	12	0.1	15		

¹ These NICB data represent the reclassification of U. S. Bureau of the Census data.

SOURCE: National Industrial Conference Board: *Economic Almanac*, 1951-52. (Table: "State Expenditures, by Function, by State, 1950"), p. 499.



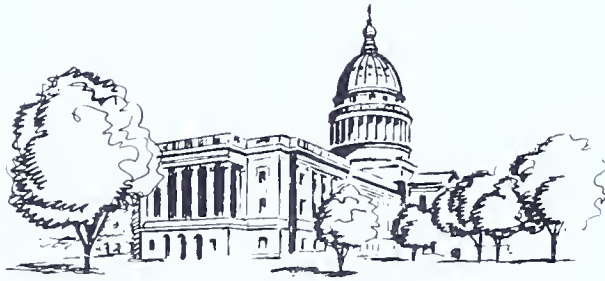
RALEIGH, NORTH CAROLINA



SACRAMENTO, CALIFORNIA



COLUMBUS, OHIO



CHARLESTON, WEST VIRGINIA



HARTFORD, CONNECTICUT



TRENTON, NEW JERSEY

The Appropriations Outlook

IN OTHER STATES

In each of the fourteen states which is compared with Pennsylvania, the trend of total state appropriations is up. In each case the total of state appropriations (exclusive of Federal funds) is higher in the current biennium or in the current fiscal year than it was in the previous biennium or previous fiscal year. Seven of the states are on the biennial basis; seven are on the annual fiscal year basis (See Table 7).



ANNAPOLIS, MARYLAND



SPRINGFIELD, ILLINOIS



BOSTON, MASSACHUSETTS



ALBANY, NEW YORK



LANSING, MICHIGAN



INDIANAPOLIS, INDIANA



AUSTIN, TEXAS



MADISON, WISCONSIN

TABLE 7

TOTAL STATE APPROPRIATIONS*

(Thousands of Dollars)

	Biennial		Annual	
	1951-53	1949-51	1951-52	1950-51
California			1,047,183	978,172
Connecticut	302,748	265,500		
Illinois	1,202,349	1,005,802		
Indiana	483,895	433,381		
Maryland			163,182	143,581
Massachusetts			274,954	262,335
Michigan			417,221	407,627
New Jersey			176,816	165,744
New York			1,120,985	980,761
North Carolina	504,397	436,828		
Ohio	771,578	710,567		
PENNSYLVANIA	**	1,178,910		
Texas			585,908	569,500
West Virginia	265,911	245,586		
Wisconsin	688,308	600,159		

* Total actual State appropriations shown in this table are only roughly comparable. They are all intended to show only actual State appropriations and to exclude Federal funds.

** Actual appropriations not yet available. Governor's budget proposals for 1951-53, on a comparable basis with 1949-51 actual appropriations, total \$1,174,151,000.

The General Fund Revenues **OF PENNSYLVANIA**

The exact amount of revenue required to balance the General Fund appropriations in 1951-1953 will depend upon the amount of expenditures finally approved and made and the funds available at the beginning of the biennium.

The Budget Bureau reported on October 29, 1951 that the net surplus at the close of the 1949-1951 biennium was \$17,918,453.

At that time it announced estimated General Fund revenues in 1951-1953 from existing sources of \$744,000,120. During the 1951 legislative session transfers from Special Funds of \$1,500,000 have been made to the General Fund. We are informed that \$10,000,000 additional will be provided by Liquor store profits and liquor taxes because of the recent federal tax increase. A total of \$773,418,573 will be available in 1951-1953, according to the Budget Bureau.

The Committee estimates, however, that total funds of \$795,768,453 will be available because tax and non-tax revenues will yield \$22,349,880 more than the Budget Bureau has estimated. (See Table 8.)

It must be remembered that motor fuel and license taxes are constitutionally earmarked for state and local highway purposes. Other special funds must also be utilized exclusively for particular projects or services and are not available for General Fund appropriations.

TABLE 8

**COMMITTEE ESTIMATES OF GENERAL FUND REVENUES
IN PENNSYLVANIA
FROM EXISTING SOURCES IN 1951-1953
(In thousands)**

	Budget Bureau Estimates	Committee Estimates ²
TOTAL REVENUES ¹	\$754,000	\$776,350
TOTAL TAX REVENUES.....	\$623,250	\$644,450
Liquor tax	39,200	39,200
Malt beverage tax.....	46,000	46,000
Cigarette tax	89,000	89,000
Corporate income tax.....	235,000	250,000
Corporate capital stock tax.....	108,750	108,750
Insurance premiums tax.....	22,735	23,000
Public utility receipts tax.....	21,500	24,000
Inheritance tax	42,078	44,000
Other taxes	18,987	20,500
LIQUOR STORE PROFITS.....	87,600	87,600
OTHER REVENUES	43,150	44,300

¹ A surplus of \$17,918,452 at the end of the 1949-1951 biennium and legislative transfers of \$1,500,000 in the present biennium are excluded from the estimates of both the Budget Bureau and the Committee.

² The Committee submits new revenue estimates only for those sources for which substantial revisions appear to be warranted.

The Problem of Revenue Estimating

It is always difficult to forecast future economic and financial trends. The difficulties are increased when the trends are mixed and the outcome of contrary tendencies is not clear. This is especially true in the present period of world tension and uncertainty.

The revenue estimates of the Committee are based upon the assumption that economic and financial conditions in Pennsylvania will, in general, be at least as favorable in 1952 and early 1953 as in 1951.

Substantial improvement or deterioration in economic activity would materially affect the revenues actually realized.

The Committee has not had time in the short period available for study to examine exhaustively and weigh all of the factors that might exert an important influence upon the yield of each revenue source. Small revisions might be in order for some of the taxes, but the Budget Bureau estimates for these taxes appear to be approximately in line with probable yields and have therefore not been modified. In other instances, where conditions warranted, revenue estimates were revised upward, particularly in the case of the corporate income tax.

Yield of the Corporate Income Tax

The Committee has made a careful study of the yield of the corporate income tax, now imposed at a rate of 5 per cent on income before deductions are allowed for federal income taxes.

It has assembled comprehensive information concerning corporate earnings in the years 1949-1951 from a number of basic sources. These include:

1. The published reports of 277 corporations doing business in Pennsylvania on their total net incomes before taxes were compiled. These corporations report aggregate profits before taxes of \$5,354 million for the first nine months of 1951 as compared with \$4,581 million for the first nine months in 1950, an increase of over 16 per cent.

2. The replies to a letter sent out by the Committee to 865 corporations asking them to report their Pennsylvania net income taxes were analyzed. These corporations were diversified as to size and industry. The replies indicate that Pennsylvania corporate income taxes for these concerns:

(a) Totaled \$32,431,566 in 1951

(b) Will total \$47,226,740 in 1952

After allowing for the increase of the corporate income tax to a rate of 5 per cent on 1951 income from 4 per cent on 1950 and 1949 income, the reports indicate an estimated level of 1951 corporate profits taxable in Pennsylvania which is 16.5 per cent above the 1950 level.

3. Profits reports and forecasts, with the Pennsylvania situation particularly in mind, were obtained from three statistical agencies of the Federal Government, State Revenue Officials in Pennsylvania and other states, corporation economists, tax officials, and executives, independent economists and accountants, and other available sources.

After careful analysis of all relevant sources of information as to past trends of corporate tax receipts and the prospective profit outlook, the Committee estimated 1951-53 Pennsylvania corporate tax revenue at \$250 million.

Potential Revenues from New Sources

The Committee was requested to prepare estimates of the more important potential revenues which might be obtained from new state taxes. This it has done, within the limits of the time and resources at its disposal.

The Committee was not asked, however, to appraise the desirability or undesirability of specific sources of additional state tax revenue. It therefore merely lists the revenues which, in its considered opinion, could probably be raised at a particular rate if the new tax in question were in operation for an entire biennium at 1951 levels of economic activity.

The data available for estimating the probable yields of new taxes are, unfortunately, quite fragmentary in some instances, particularly with respect to taxes on the net income of unincorporated businesses and professions and on investment income in spite of the experience of Pennsylvania local governments in income taxation. The yield estimates must, therefore, be very rough.

The data of the State Tax Equalization Board were helpful in arriving at an estimate of the yield of a tax on realty transfers.

The available data indicating individual incomes in Pennsylvania, as reported by the U. S. Bureau of Internal Revenue and the U. S. Department of Commerce were procured and analyzed. The results of local income tax administration in Pennsylvania were also appraised. An allowance was necessarily made for the revenue that would be lost pending administrative experience which would permit the maximum efficiency in enforcement.

In estimating the yield of a retail sales tax, the reports of the U. S. Treasury, U. S. Department of Commerce, and various other statistical sources were studied. The sales tax experience of other states was also used as a basis for estimating a Pennsylvania yield. The enforcement efficiency of a new tax would presumably be less than the efficiency achieved after some experience, and a weight had to be given to this factor.

The estimated yields of each of a number of possible new taxes are recorded in Table 9.

TABLE 9

ESTIMATED REVENUES FROM NEW TAXES

1951 - 1953

TAX ON:	Rate*	Estimated Yield in A Full Biennium
Net Income of Unincorporated Business		
and Professions	1%	\$ 20-30 million
Investment Income	1%	\$ 16 million
Realty Transfers	1%	\$ 24 million
Personal Income	1%	\$260 million
Retail Sales and Use.....	1%	\$120 million

With food, alcohol, gasoline, and cigarette exemptions. The yield would be higher if food only were exempt.

* A rate of 1% is assumed in each instance as a basis of estimating tax yields for purposes of comparison. Yields would be proportionally higher or lower, within limits, at higher or lower rates.

State Tax Revenues

IN 15 SELECTED STATES, 1950

Some of the more important sources of tax revenue among the 48 states are indicated in Table 10. Thirteen of the states utilized all four of the selected tax sources. Of the 15 states used for comparative purposes throughout this report, six used the personal income tax and nine had a general sales tax. Three states of this group employed both the personal income tax and the sales tax. Thirty of the 48 states imposed the personal income tax and thirty-three, the sales tax. Pennsylvania uses the cigarette tax and the corporate income tax.

The yields of the major tax sources for the 15 states have been recorded for 1950 in Tables 11 and 12 and graphically depicted in Chart III. Pennsylvania ranked third in total tax collections; she ranked second in collections from taxes on alcoholic beverages, tobacco, and corporations and business.

TABLE 10

SELECTED STATE TAXES COLLECTED IN 1951 AMONG THE 48 STATES

1—Personal Income Tax 3—Cigarette and Tobacco Taxes
 2—Corporate Income Tax 4—Sales Tax (usually also Use Tax)

Alabama	1, 2, 3, 4	Nebraska	3
Arizona	1, 2, 3, 4	Nevada	3
Arkansas	1, 2, 3, 4	New Hampshire	3
*California	1, 2, 4	*New Jersey	3
Colorado	1, 2, 4	New Mexico	1, 2, 3, 4
*Connecticut	2, 3, 4	*New York	1, 2, 3
Delaware	1, 3, 4	*North Carolina	1, 2, 4
Florida	3, 4	North Dakota	1, 2, 3, 4
Georgia	1, 2, 3, 4	*Ohio	3, 4
Idaho	1, 2, 3	Oklahoma	1, 2, 3, 4
*Illinois	3, 4	Oregon	1, 2
*Indiana	1, 3, 4	*PENNSYLVANIA	2, 3
Iowa	1, 2, 3, 4	Rhode Island	2, 3, 4
Kansas	1, 2, 3, 4	South Carolina	1, 2, 3, 4
Kentucky	1, 2, 3	South Dakota	3, 4
Louisiana	1, 2, 3, 4	Tennessee	2, 3, 4
Maine	3, 4	*Texas	3
*Maryland	1, 2, 4	Utah	1, 2, 3, 4
*Massachusetts	1, 2, 3	Vermont	1, 2, 3
*Michigan	3, 4	Virginia	1, 2, 4
Minnesota	1, 2, 3	Washington	3, 4
Mississippi	1, 2, 3, 4	*West Virginia	3, 4
Missouri	1, 2, 4	*Wisconsin	1, 2, 3
Montana	1, 2, 3	Wyoming	4

Number imposing personal income tax	30
Number imposing corporate income tax	32
Number imposing cigarette or tobacco tax	40
Number imposing sales tax	33
Number imposing all 4 taxes	13
Number imposing 3 taxes	19
Number imposing 2 taxes	10
Number imposing 1 tax	6

* This indicates 15 states used for comparison in this report.

TABLE 11

STATE TAX REVENUES IN 15 SELECTED STATES, 1950

(In Thousands of Dollars)

	Conn.	Ind.	Tex.	W. Va.	Wis.	Mass.	Penna.	New York	N. Car.	Maryland	Ohio	New Jersey	Calif.	Illinois	Michigan
TOTAL TAX COLLECTIONS*	\$104,900	\$203,700	\$317,000	\$94,000	\$196,800	\$260,123	\$439,688	\$888,361	\$208,822	\$123,766	\$384,169	\$146,606	\$805,169	\$379,916	\$379,667
PERSONAL INCOME TAXES	.....	.....	.....	.....	45,100	55,291	.....	262,916	24,397	18,341	.....	.....	60,500	.....	.....
SALES TAXES	23,700	86,600	.....	51,900	.....	.....	.....	.....	41,848	28,377	133,068	.....	321,560	166,951	204,417
TAXES ON SELECTED COMMODITIES	16,100	28,600	38,100	4,700	21,400	46,987	106,187	125,268	8,487	5,981	56,355	32,878	24,064	52,638	33,289
Alcoholic Beverage Taxes	5,300	12,300	13,200	2,100	.....	20,567	40,984	45,018	8,398	5,875	30,170	14,623	16,145	22,966	6,916
Alcoholic Beverage Licenses	3,100	3,600	1,400	500	11,200	490	7,907	23,566	89	106	8,041	468	7,919	1,344	3,775
Tobacco Taxes	7,700	12,700	23,500	2,100	10,200	25,930	42,759	56,684	.....	.....	18,144	17,787	.....	28,328	22,598
Soft Drinks Tax	.....	.....	.....	.....	.....	.....	14,537	.....	.....	.....	.....	.....	.....	.....	.....
CORPORATE AND OTHER BUSINESS TAXES	29,400	8,200	42,500	4,900	65,000	94,570	149,500	255,299	58,841	22,230	61,121	21,985	105,215	44,180	36,131
Corporate Net Income Tax	12,200	.....	.....	.....	40,300	78,677	63,969	155,012	30,015	10,796	.....	.....	74,546	.....	.....
General Corporation Taxes	400	.....	8,000	1,100	200	753	52,081	1,333	4,369	368	9,326	8,691	390	3,757	10,891
Insurance Taxes	9,300	5,500	11,100	2,500	4,500	9,738	15,667	30,222	5,196	4,083	14,587	6,891	23,674	14,989	9,789
Public Utility Taxes	5,500	.....	4,700	200	17,700	4,276	9,805	36,967	11,576	4,077	19,648	4,642	1,801	22,848	13,097
Other Business Taxes	2,000	2,700	18,700	1,100	2,300	1,126	7,978	31,765	7,685	2,906	17,560	1,761	4,804	2,586	2,354
MOTOR VEHICLES	28,800	62,800	102,600	29,100	55,600	39,160	154,449	168,653	70,923	39,268	126,384	68,898	247,259	97,606	88,736
Motor Fuels Taxes	18,300	40,000	76,400	16,900	31,500	27,900	100,517	90,095	52,836	23,117	81,374	32,672	137,826	56,339	46,501
Motor Vehicles	10,500	22,800	26,200	12,200	24,100	11,260	53,932	78,558	18,087	16,151	45,010	36,226	109,433	41,267	42,235
DEATH AND GIFT TAXES	5,900	3,000	6,000	900	5,300	9,660	21,706	22,375	2,211	2,583	4,194	9,600	19,857	7,259	7,934
PARI-MUTUEL TAXES	.....	.....	.....	800	.....	7,888	.....	26,572	.....	4,569	527	11,706	14,855	7,938	3,385
OTHER TAXES AND LICENSES	1,000	13,500	127,200	1,700	4,600	6,567	7,846	27,278	2,115	2,417	2,520	1,539	11,859	3,344	5,795

* Adopted from U. S. Bureau of Census, Sources of State Tax Revenue in 1950, November, 1950. Unemployment compensation and certain property taxes excluded. For explanations of particular items see the original Census report cited.

REVENUES FROM MAJOR TAXES AS PERCENTAGES OF
TOTAL STATE TAX COLLECTIONS*
1950

	Conn.	Ind.	Texas	W. Va.	Wis.	Mass.	Penna.	N. Y.	N. Car.	Md.	Ohio	N. J.	Calif.	Ill.	Mich.
TOTAL TAX COLLECTIONS.....	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
PERSONAL INCOME TAXES.....	....	....	....	....	22.92	21.26	....	29.60	11.68	14.82	....	....	7.51	....	....
SALES TAXES	22.59	42.51	....	55.21	....	....	....	....	20.04	22.93	34.64	....	39.94	43.94	53.84
TAXES ON SELECTED COMMODITIES.....	15.35	14.09	12.02	5.00	10.88	18.06	24.15	14.10	4.06	4.83	14.66	22.42	2.99	13.86	8.77
Alcoholic Beverage Taxes.....	5.05	6.04	4.17	2.23	....	7.90	9.32	5.07	4.02	4.75	7.85	9.97	2.01	6.05	1.82
Alcoholic Beverage Licenses.....	2.96	1.77	.44	.53	5.70	.19	1.80	2.65	.04	.08	2.09	.32	.98	.35	1.00
Tobacco Taxes	7.34	6.28	7.41	2.24	5.18	9.97	9.72	6.38	....	....	4.72	12.13	....	7.46	5.95
Soft Drinks Tax.....	....	....	....	....	....	....	3.31	....	....	....	....	....	....	....	....
CORPORATE AND OTHER BUSINESS TAXES.....	28.02	4.07	13.49	5.21	32.98	36.36	34.00	28.74	28.17	17.96	15.91	15.00	13.07	11.63	9.52
Corporate Net Income Tax.....	11.63	....	....	....	20.48	30.25	14.55	17.45	14.37	8.72	....	....	9.26	....	....
General Corporation Taxes.....	.38	....	2.52	1.17	.10	.29	11.85	.15	2.09	.30	2.43	5.93	.05	.99	2.87
Insurance Taxes	8.87	2.70	3.50	2.66	2.23	3.75	3.56	3.40	2.49	3.30	3.80	4.70	2.94	3.95	2.58
Public Utility Taxes.....	5.24	....	1.48	.21	9.00	1.64	2.23	4.16	5.54	3.29	5.11	3.17	.22	6.01	3.45
Other Business Taxes.....	1.90	1.37	5.99	1.17	1.17	.43	1.81	3.58	3.68	2.35	4.57	1.20	.60	.68	.62
MOTOR VEHICLES	27.44	30.84	32.36	30.96	28.25	15.06	35.13	18.98	33.96	31.74	32.90	47.00	30.71	25.69	23.37
Motor Fuels Taxes.....	17.44	19.64	24.10	17.98	16.00	10.73	22.86	10.14	25.30	18.68	21.18	22.29	17.12	14.83	12.25
Motor Vehicles	10.00	11.20	8.26	12.98	12.25	4.33	12.27	8.84	8.66	13.06	11.72	24.71	13.59	10.86	11.12
DEATH AND GIFT TAXES.....	5.62	1.47	1.90	.98	2.70	3.71	4.94	2.52	1.08	2.06	1.09	6.55	2.47	1.91	2.09
PARI-MUTUEL TAXES .....	....	....	....	.85	....	3.03	....	2.99	....	3.69	.14	7.98	1.84	2.09	.89
OTHER TAXES AND LICENSES.....	.95	6.63	40.13	1.81	2.34	2.52	1.78	3.07	1.01	1.95	.66	1.05	1.47	.88	1.52

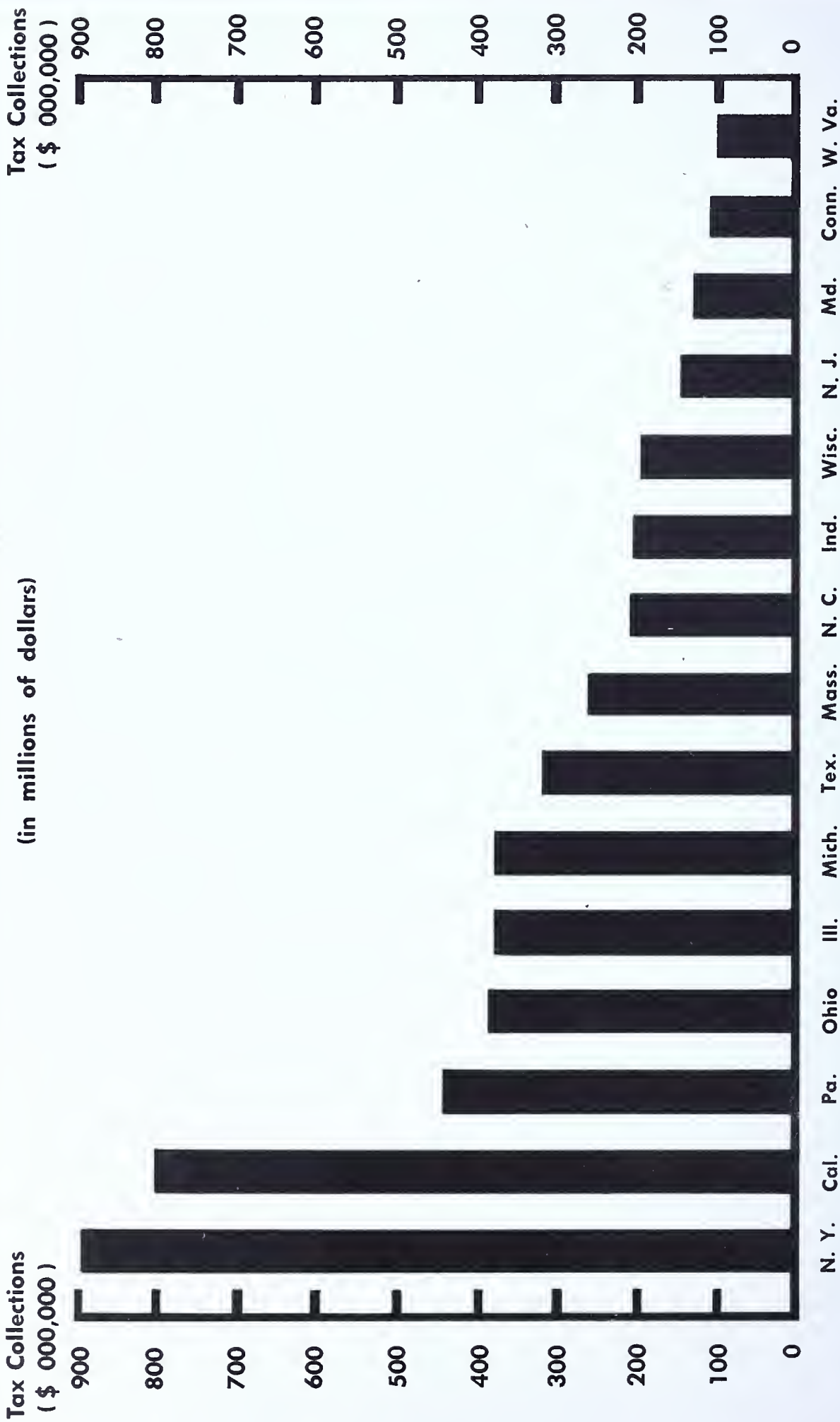
*Exclusive of Unemployment Compensation Taxes

TABLE 12

CHART III

TOTAL STATE TAX COLLECTIONS IN 15 SELECTED STATES, 1950

(in millions of dollars)



States

Principal Sources of Pennsylvania Revenue

1936 - 1951

For comparative purposes, the annual revenue from the principal Pennsylvania taxes has been recorded in Tables 13 and 14 for the fiscal years from 1936 to 1951. The trends in the yields of these tax sources are graphically represented in Charts IV and V.

Particularly significant trend increases in revenue yields are indicated for cigarette and liquor taxes and for the corporate net income tax.

TABLE 13

ANNUAL REVENUES FROM PRINCIPAL PENNSYLVANIA BUSINESS TAXES

Fiscal Years 1935-51

Fiscal Year	Capital Stock Tax Domestic	Capital Stock Tax Foreign	Corporate Net Income Tax	Gross Receipts Tax on Public Utilities	Corporate Loans Tax	Premiums Tax on Insurance Cos.	Shares Tax on Banks and Trust Cos.
1935-36	\$17,197,933	\$ 1,524,827	\$12,962,724	\$ 4,662,866	\$ 3,242,155	\$ 5,863,344	\$ 1,659,811
36-37	35,854,995	10,492,733	29,886,607	6,248,733	11,148,832	6,504,536	2,868,029
37-38	21,733,412	7,792,337	28,270,669	7,931,010	7,930,089	6,712,004	8,504,779
38-39	20,203,343	7,732,135	16,461,449	6,799,819	6,457,674	6,931,429	6,058,273
39-40	21,034,417	6,837,095	23,647,247	7,777,130	5,943,807	6,792,011	6,318,814
40-41	21,996,768	7,105,606	29,696,869	8,281,690	5,664,497	6,150,504	6,392,856
41-42	23,603,074	11,049,256	39,919,067	9,475,724	5,828,710	8,423,909	7,093,848
42-43	25,832,957	10,302,707	50,701,876	9,823,468	5,037,315	7,617,183	7,234,045
43-44	24,419,354	10,021,467	66,316,991	10,293,103	5,254,142	8,177,131	3,505,167
44-45	23,694,843	9,844,422	63,181,239	7,301,414	3,020,971	8,362,772	2,404,339
45-46	22,584,445	9,143,414	42,939,503	7,205,559	2,739,338	8,494,544	3,169,195
46-47	22,355,096	8,836,728	50,660,926	7,131,522	1,946,018	9,449,692	4,733,436
47-48	28,585,829	10,325,235	58,423,945	8,600,863	1,975,406	10,450,284	3,438,535
48-49	34,642,700	13,827,246	94,570,060	9,858,335	1,835,819	9,746,403	4,208,786
49-50	35,663,441	14,682,435	63,814,712	9,805,703	1,616,400	9,855,250	5,193,121
50-51	38,160,628	15,593,225	91,052,423	11,023,921	1,651,247	11,594,058	6,399,171

Source: Reports of the Auditor General.

TABLE 14**ANNUAL REVENUES****From Principal Pennsylvania Excise Taxes
and the Inheritance and Estate Taxes**

Fiscal Year	Malt Beverage Tax	Cigarette Tax	Emergency 10% Liquor Tax	Inheritance and Estate Taxes	Soft Drinks Tax
1935-36	\$ 6,748,954	\$ 8,701,804	—	\$19,548,500	
36-37	7,406,610	10,805,778	\$ 7,290,262	16,851,159	
37-38	7,433,528	11,291,132	7,803,385	28,698,202	
38-39	6,843,170	11,158,876	7,344,333	21,066,711	
39-40	7,183,635	11,982,658	7,888,329	19,579,685	
40-41	7,161,434	12,411,104	8,819,638	17,030,537	
41-42	8,614,890	13,726,968	10,510,700	14,714,541	
42-43	8,661,491	13,789,432	13,781,960	15,926,624	
43-44	10,598,964	14,664,791	10,101,839	16,572,588	
44-45	10,374,212	12,321,930	13,575,486	19,283,058	
45-46	11,361,111	16,882,162	14,464,100	20,500,079	
46-47	11,833,755	20,988,458	16,510,701	33,177,550	
47-48	25,103,548	37,348,091	17,508,766	25,264,947	\$13,353,458
48-49	23,617,391	41,127,648	20,255,218	23,894,491	13,576,317
49-50	23,188,869	42,759,453	17,778,643	20,458,419	14,536,608
50-51	23,089,163	43,379,942	18,955,022	26,139,823	12,856,833

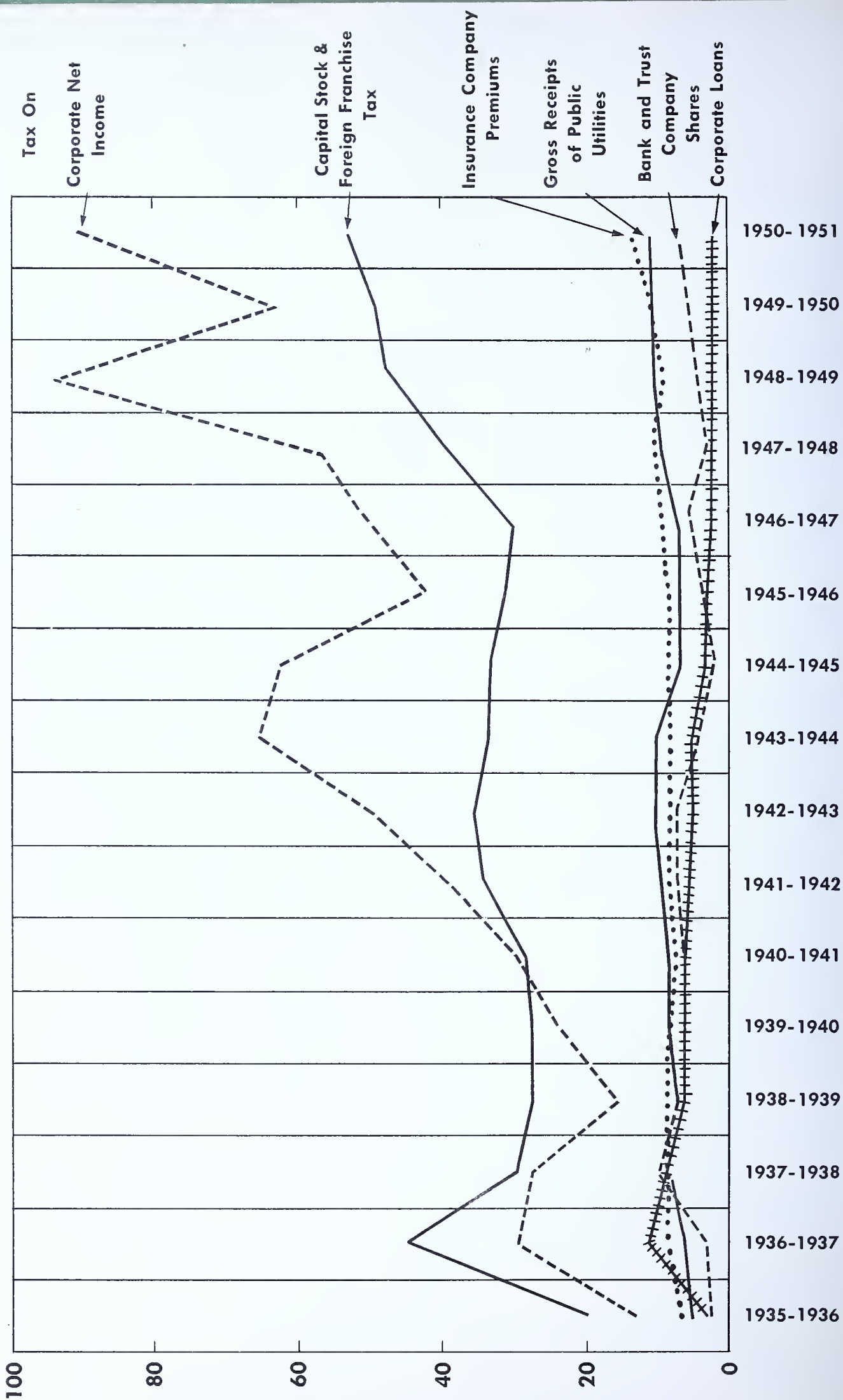
SOURCE: Reports of the Auditor General.

CHART IV

Revenues From Principal Pennsylvania Business Taxes

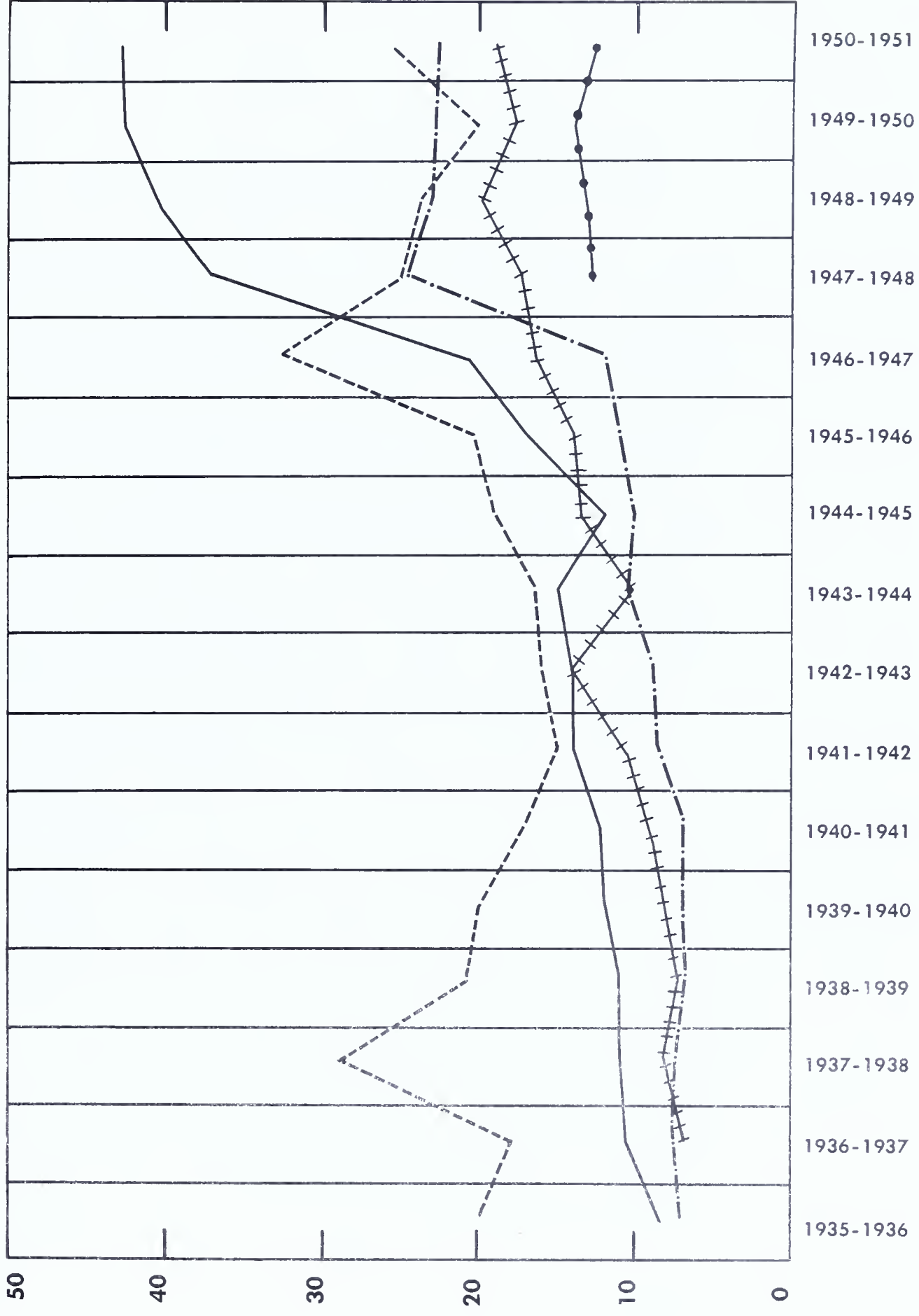
Fiscal Years 1935 - 1951

Million Dollars



Revenues From Principal Pennsylvania Excise Taxes and the Inheritance and Estate Taxes Fiscal Years 1935 - 1951

Million
Dollars



Source: Reports of The Auditor General of Pennsylvania

Federal and State Aid

Table 15 shows the amounts of Federal Aid extended in 1950 to each of the 15 states included in the study. The grants range from \$179.0 million for California to \$18.6 million for Maryland. Pennsylvania received \$94.5 million in Federal Aid in 1950; three other states, California, New York, and Texas, received greater amounts of such aid.

Table 16 records the amounts of State Aid extended to local governments in 1950 in the same 15 states. Pennsylvania distributed \$142.4 million to her local governments, \$111.5 million of which was allocated to schools and \$20.8 million to highways.

Six other states out of the 15 granted larger total amounts to local governments than did Pennsylvania. With the exception of Massachusetts and Wisconsin, all states allocated the greater proportion of the total aid for school purposes.

TABLE 15

Federal Aid
TO STATE GOVERNMENTS*
SELECTED STATES
IN 1950

STATE	(In MILLIONS)
California	\$179.0
Connecticut	19.0
Illinois	93.6
Indiana	37.2
Maryland	18.6
Massachusetts	59.9
Michigan	75.8
New Jersey	32.0
New York	127.1
North Carolina	41.6
Ohio	80.3
PENNSYLVANIA	94.5
Texas	110.9
West Virginia	24.7
Wisconsin	42.3

* SOURCE — United States Bureau of the Census.

TABLE 16

State Aid
TO LOCAL GOVERNMENTS
IN SELECTED STATES IN 1950*
(In millions)

	Total ¹	Purpose Unspecified	Schools	Highways	Public Welfare ²
California	\$497.0	12.5	227.6	68.8	111.0
Connecticut	22.0	4.1	13.1	1.0	3.7
Illinois	137.3	...	54.9	48.3	30.9
Indiana	116.4	2.8	58.3	26.4	28.9
Maryland	78.1	10.4	32.4	20.4	13.4
Massachusetts	179.1	71.8	25.7	3.7	76.5
Michigan	251.2	49.3	141.0	42.8	17.9
New Jersey	66.0	1.0	26.8	16.5	19.9
New York	572.9	83.7	234.0	25.4	226.0
North Carolina	39.8	5.3	11.7	...	22.3
Ohio	230.0	42.7	95.5	54.4	35.8
PENNSYLVANIA	142.4	5.8	111.5	20.8	.3
Texas	124.1	...	115.1	7.9	...
West Virginia	46.8	...	45.1	...	1.8
Wisconsin	136.5	52.2	22.1	22.7	37.8

* SOURCE: U. S. Bureau of the Census.

¹ 77.2 millions are unallocable and not included in above in California; 3.2 in Illinois; 4.6 in New York and 4.0 in Pennsylvania.

² Includes all relief, health and hospital aid.

Local Taxes

IN PENNSYLVANIA

The total taxes imposed in a state include the taxes of the local, as well as the state, governments.

A recent analysis by the Bureau of Municipal Affairs in the Department of Internal Affairs reveals that Pennsylvania local governments expended \$752 million in 1950 and raised \$758 million in revenue, including \$355 million from real estate taxes. (See Table 17.)

In 1949 Pennsylvania local governments raised \$440 million in taxes, received \$111 million in state grants, and obtained nearly \$18 million in shares of state taxes. (See Tables 18 and 19.)

TABLE 17

**PENNSYLVANIA LOCAL GOVERNMENT
FINANCIAL DATA FOR THE YEARS 1945 AND 1950**

	1945 Total Revenue Receipts	1950 Total Revenue Receipts	1945 Total Governmental Expenditures	1950 Total Governmental Expenditures	1945 Total Real Estate Taxes Collected	1950 Total Real Estate Taxes Collected
County	\$ 52,777,677	\$ 75,421,445	\$ 43,261,828	\$ 71,490,854	\$ 34,393,727	\$ 47,259,549
Institution	9,465,989	15,350,014	8,810,904	17,388,161	7,712,080	11,812,900
Philadelphia	90,625,750	158,282,099	82,102,572	155,371,711	43,567,984	50,318,242
Pittsburgh	23,967,211	42,233,678	21,825,732	42,244,056	17,938,426	20,107,561
Scranton	2,101,954	4,289,052	2,032,722	3,475,000	1,806,796	2,249,000
3rd Class Cities	31,818,028	48,051,440	27,556,255	48,175,926	21,312,614	24,408,124
Boroughs	33,020,797	50,468,405	29,718,518	49,351,590	20,825,302	24,118,662
1st Class Townships	7,887,918	13,419,126	6,805,410	12,951,939	6,461,511	8,584,213
2nd Class Townships	12,044,920	27,081,545	11,869,913	20,581,428	6,905,105	10,154,698
TOTAL	\$263,710,244	\$434,596,804	\$233,983,854	\$421,030,665	\$160,923,545	\$199,012,949
School Districts ^b	218,017,702	324,136,511	207,473,038	331,502,144	144,268,574 ^a	156,168,350
TOTAL FOR ALL LOCAL UNITS	\$481,727,946	\$758,733,315	\$441,456,892	\$752,532,809	\$305,192,119	\$355,181,299

SOURCE: Figures compiled from financial and comptroller reports filed with the Department of Internal Affairs. Data for Townships of the Second Class furnished by Department of Highways; School data furnished by Department of Public Instruction. Compiled by the Bureau of Municipal Affairs, Department of Internal Affairs.

a. Includes some occupation taxes.

b. School District data for fiscal year ending June 30, 1950.

TABLE 18

REVENUES OF PENNSYLVANIA LOCAL GOVERNMENTS
FROM TAXES AND STATE AID
1945 and 1949
(In Thousands)

	1949	1945
GRAND TOTAL	\$569,270	\$414,440
TOTAL LOCAL TAXES	440,367	339,776
Cities	143,192	109,543
Boroughs	27,299	20,912
Townships	17,607	13,367
School Districts	185,996	144,269
Counties	54,440	43,974
Institution Districts	11,833	7,712
TOTAL STATE AID	\$128,903	\$ 74,664
GRANTS-IN-AID		
Education	\$ 99,770	\$ 59,188
Highways	9,994	3,495
Airports	765	—
Health	446	—
Post War Planning	130	—
Libraries	50	28
Port of Philadelphia	94	120
SUB-TOTAL	\$111,249	\$ 62,831
LOCAL SHARES OF STATE TAXES		
Gasoline Tax	\$ 9,543	\$ 5,399
Tax on Foreign Fire Insurance Premiums	1,420	1,082
Tax on Foreign Casualty Insurance Premiums	934	—
Liquor Licenses	5,757	5,352
SUB-TOTAL	\$ 17,654	\$ 11,833

SOURCE: Based on data assembled by Bureau of Municipal Affairs and Bureau of Statistics, Department of Internal Affairs, and Department of Public Instruction.

TABLE 19

TAX COLLECTIONS BY PENNSYLVANIA LOCAL GOVERNMENTS

IN 1945 AND 1949

By Type of Tax

	1945	1949	INCREASE
<u>TOTAL</u>	<u>\$339,775,536</u>	<u>\$440,367,290</u>	<u>\$100,591,754</u>
<u>REAL ESTATE</u> ¹	<u>297,119,594</u>	<u>347,861,044</u>	<u>50,741,450</u>
<u>ALL OTHER</u>	<u>42,655,942</u>	<u>92,506,246</u>	<u>49,850,304</u>
<u>Income</u>	<u>22,430,548</u>	<u>40,823,176</u>	<u>18,392,628</u>
"Sterling Act" of 1932 (Phila.).....	22,430,548	30,722,114	8,291,566
Act 481.....	—	10,101,062	10,101,062
<u>Per Capita</u>	<u>8,500,000</u>	<u>17,782,367</u>	<u>9,282,367</u>
School Code.....	8,500,000	13,980,820	5,480,820
Act 481.....	—	1,880,254	1,880,254
Pittsburgh School District.....	—	1,921,293	1,921,293
<u>Personal Property</u>	<u>9,239,114</u>	<u>13,792,563</u>	<u>4,553,449</u>
County Tax of 4 Mills.....	9,239,114	9,809,303	3,222,153
Act 481.....	—	808,591	808,591
Philadelphia School District.....	—	2,452,703	2,452,703
Pittsburgh School District.....	—	721,966	721,966
<u>Amusement</u>	<u>1,843,793</u>	<u>9,215,605</u>	<u>7,371,812</u>
"Sterling Act" of 1932 (Phila.).....	1,843,793	4,261,106	2,417,313
Act 481.....	—	4,954,499	4,954,499
<u>Mercantile—Business Privilege</u>	<u>—</u>	<u>8,589,555</u>	<u>8,589,555</u>
Act 481.....	—	4,570,376	4,570,376
Philadelphia School District.....	—	2,634,087	2,634,087
Pittsburgh School District.....	—	1,385,092	1,385,092
<u>Other</u>	<u>642,487</u>	<u>2,302,980</u>	<u>1,660,493</u>

SOURCE—Based on data assembled by Bureau of Municipal Affairs and Bureau of Statistics, Department of Internal Affairs, and Department of Public Instruction.

¹ Includes a small amount of occupation taxes.

Property Taxes As Revenues

Data are not available on the details of local tax collections by all of the 15 selected states whose finances are compared in this study.

An analysis for five of these states shows that property taxes in Pennsylvania supplied 43.7 per cent of the total state and local taxes in 1949, a lower ratio than that in the other states. It was also lower than the ratio of 46.2 per cent for all of the 48 states. (See Table 20.)

TABLE 20

TOTAL STATE AND LOCAL TAXES AND PROPERTY TAXES FOR FIVE SELECTED STATES (1948-49) AND THE UNITED STATES (1949)

(Exclusive of Unemployment Compensation Taxes)

MILLIONS OF DOLLARS

Tax	Massa- chusetts	New Jersey	New York	Pennsyl- vania	Connecti- cut	All States, United States
State and Local Property Taxes.	\$309	\$334	\$929	\$372	\$115	\$6,843
Total State and Local Taxes.	549	500	1,901	850	206	14,804
Property as Percentage of Total Taxes.	56.3%	66.8%	48.8%	43.7%	53.9%	46.2%

SOURCE: Pennsylvania data from Bureau of Municipal Affairs, Department of Internal Affairs. Other states from Commonwealth of Massachusetts, Report of the Special Commission on Taxation, Part I. March, 1951. Data for the United States were supplied by the Tax Institute, Inc.

State Debt
IN
FIFTEEN SELECTED STATES, 1950

Comparative trends in State Debt burdens are difficult to analyze. For the purpose of this report, the outstanding General Debt of the 15 states studied are indicated for the single year 1950 in Table 21.

On the basis of reports made to the Bureau of Census, Pennsylvania's General Debt outstanding at the end of the fiscal year 1950 was \$539.6 million. The Commonwealth ranked second among the 15 states in terms of General Debt.

TABLE 21

**STATE GENERAL DEBT OUTSTANDING AT
END OF FISCAL YEAR, 1950¹
(in thousands of dollars)**

STATE	GENERAL ²
California	218,607
Connecticut	144,494
Illinois	428,158
Indiana	14,946
Maryland	57,911
Massachusetts	163,526
Michigan	241,951
New Jersey	104,851
New York	844,736
North Carolina	202,323
Ohio	197,588
PENNSYLVANIA	539,629
Texas	52,259
West Virginia	68,352
Wisconsin	4,351

¹ "For states for which no segregation of debt between general and enterprise is shown, all debt was general." These figures exclude local authorities.

² "Debt incurred to finance general government activities as distinguished from enterprise." Enterprise debt is excluded because it is very substantially or entirely a legal obligation, not of the states, but of independent authorities.

SOURCE: U. S. Department of Commerce, Bureau of the Census: *Compendium of State Government Finances in 1950*. (Table: "General and Enterprise Debt Outstanding.")

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TABLE 1

**COST TO THE COMMONWEALTH FOR RAISING SUBSIDY LEVELS,
SUPPLEMENTAL PAYMENTS FOR UNITS OPERATED BY SCHOOL DISTRICTS
JOINTLY, BY UNION OR MERGER, AND PROVIDING FOR THE
ONE BIENNIUM "GUARANTEE CLAUSE" UNDER THE
PROVISIONS OF H.B. 334, P.N. 420***

Biennium	Present State Mandated Cost	Additional State Cost	Total State Cost
1951-1953	\$230,000,000	\$ 56,713,609**	\$286,713,609
1953-1955	230,000,000	96,438,710	326,438,710
1955-1957	230,000,000	129,759,890	359,759,890
1957-1959	230,000,000	163,161,810	393,161,810
1959-1961	230,000,000	185,456,450	415,456,450

* Forecast based on all factors remaining constant, such as enrollment, market valuation, reimbursable units, and units operated jointly or through mergers.

** This total included also \$389,222 and \$222,503 for the first and second years of the biennium, respectively, as proposed in the guarantee clause.

Prepared by Division of Child Accounting and Research
Bureau of School Administration, Department of Public
Instruction
June 4, 1951

TABLE 2

**INCREASE OVER 1950-1951 AND OVER THE PREVIOUS SCHOOL YEAR
IN SALARIES FOR CERTIFICATED PERSONNEL UNDER
THE PRESENT PROVISIONS OF THE LAW**

School Year	Total Local Expenditures for Salaries	Increase Over 1950-1951	Percent Increase Over 1950-1951	Increase Over Previous School Year	Percent of Increase Over Previous School Year
1950-1951	\$195,903,669	\$.....	...	\$.....	..
1951-1952	203,538,039	7,634,370	3.9	7,634,370	3.9
1952-1953	211,486,458	15,582,789	8.0	7,948,419	3.9
1953-1954	218,961,658	23,057,989	11.8	7,475,200	3.5
1954-1955	225,614,905	29,711,236	15.2	6,653,247	3.0
1955-1956	228,942,705	33,039,036	16.9	3,327,800	1.5
1956-1957	233,735,005	37,831,336	19.3	4,792,300	2.1
1957-1958	237,811,180	41,907,511	21.4	4,076,175	1.7
1958-1959	241,343,380	45,439,711	23.2	3,532,200	1.5
1959-1960	244,466,830	48,563,161	24.8	3,123,450	1.3

Data in this table do not include county and district superintendents, their assistants, and supervisors of special education because the salary schedule for these individuals does not provide increments.

The above data were adjusted for turnover and increase due to additional teachers required because of increased enrollments.

Prepared by Division of Child Accounting and Research
Bureau of School Administration, Department of Public Instruction
Harrisburg, Pennsylvania
April 4, 1951

TABLE 3

**INCREASE OVER 1950-1951 AND OVER THE PREVIOUS SCHOOL YEAR
IN SALARIES FOR CERTIFICATED PERSONNEL* UNDER
THE PROVISIONS OF HOUSE BILL 333****

School Year	Total Local Expenditures for Salaries	Increase Over 1950-1951	Percent Increase Over 1950-1951	Increase Over Previous School Year	Percent of Increase Over Previous Year
1950-1951	\$195,903,669	\$.....	...	\$.....	...
1951-1952	221,746,780	25,843,111	15.6	25,843,111	15.6
1952-1953	233,355,230	37,451,561	19.1	11,608,450	5.2
1953-1954	244,667,930	48,764,261	24.9	11,312,700	4.8
1954-1955	256,108,580	60,204,911	30.7	11,440,650	4.7
1955-1956	265,637,950	69,734,281	35.6	9,529,370	3.7
1956-1957	274,852,900	78,949,231	40.3	9,214,950	3.5
1957-1958	282,717,750	86,814,081	44.3	7,864,850	2.9
1958-1959	289,304,100	93,400,431	47.7	6,586,350	2.3
1959-1960	294,676,600	98,772,931	50.4	5,372,500	1.9

* Does not include county and district superintendents, their assistants, and supervisors of special education because the salary schedule for these individuals does not provide increments.

** Adjusted for turnover and increase due to additional teachers required because of increased enrollments.

Prepared by Division of Child Accounting and Research
Bureau of School Administration, Department of Public Instruction
Harrisburg, Pennsylvania
March 15, 1951

LOCAL TAXES LEVIED IN PENNSYLVANIA UNDER ACT 481

The call for increased revenues by local governments has led to considerable use of the authority granted under this Act. This trend bids fair to continue to increase. Some 1200 municipalities and school districts were as of October 1, 1951, levying certain new taxes made possible by this Act. The recent amendment to this law greatly increases the number of jurisdictions which may avail themselves of this authority.

The following tables compiled by the State Chamber of Commerce from reports of the Bureau of Municipal Affairs, State Department of Internal Affairs, give the picture with respect to the extent of use of Act 481.

EXTENT TO WHICH PENNSYLVANIA'S ACT 481 IS USED
BY ELIGIBLE LOCAL UNITS

LOCAL UNIT	October 1, 1951	
	Number Under Act 481	No. Levying One or More Taxes
Cities, Class 2	1	1
Cities, Class 2A	1	1
Cities, Class 3	47	39
Boroughs	939	274
Towns	1	1
Townships, Class 1	59	24
Townships, Class 2*	1,512*	—
School Districts	2,524	853
TOTAL	5,084	1,193
Coterminous Units Levying Taxes**	—	181

SOURCE: Bureau of Municipal Affairs, State Department of Internal Affairs.
 * Brought under Act 481 to a limited extent by Act 430 of 1951, effective September 29, 1951.
 ** A borough and school district; a city and school district, etc.

LOCAL TAXES LEVIED UNDER ACT 481 (Continued)
Political Subdivisions and Types of Levies
October 1, 1951

LOCAL UNIT	Total No. Taxes	Per Capita	Amusements	Income	Mer- cantile	Mech. Devices	Deed Transfer	Other
Cities, Class 2	3	—	1	—	1	—	—	1
Cities, Class 2A	1	—	—	1	—	—	—	—
Cities, Class 3	72	5	31	8	16	7	2	3
Boroughs	386	107	105	58	10	65	15	26
Towns	1	—	1	—	—	—	—	—
Townships, Class 1	27	4	8	2	1	3	7	2
School Districts	1,041	494	133	180	20	35	120	59
TOTAL	1,531	610	279	249	48	110	144	91

The rates imposed by the local units making use of the salary-income taxes, range from 1/4 of one per cent to one per cent. One hundred and eighteen units (118) report the 1% rate; sixty-six (66) report 5 mills; fifteen (15) report a 4 mill levy. The remaining units report various rates with no one pre- dominating.

From the table above it will be seen that 144 local governmental units make use of the real estate deed transfer tax under Act 481. The rates range from two mills to one per cent, with the latter being levied in all but a very few cases.

TABLE 5

POPULATION OF STATES, 1950

RANK (by % increase)	STATE	POPULATION	% CHANGE FROM 1940
1st	California	10,586,223	53.25
2nd	Maryland	2,343,001	28.65
3rd	Michigan	6,371,776	21.23
4th	Texas	7,771,194	20.20
5th	Connecticut	2,007,280	17.43
6th	New Jersey	4,835,329	16.25
7th	Ohio	7,946,627	15.04
8th	Indiana	3,934,224	14.77
9th	North Carolina	4,061,929	13.73
10th	Illinois	8,712,176	10.31
11th	New York	14,830,192	10.02
12th	Wisconsin ¹	3,421,316	9.04
13th	Massachusetts	4,690,514	8.66
14th	PENNSYLVANIA	10,498,012	6.03
15th	West Virginia	2,005,552	5.45

¹ Preliminary count, April 1, 1950, released, September 11, 1950.
Final figures not available.

SOURCE: Department of Commerce, Bureau of the Census.
Population Census of 1950, Series PC 8.

TABLE 6

TOTAL INCOME PAYMENTS TO INDIVIDUALS

(By state, 1950*)

Total Payments (In millions)			Per Capita Payments		
RANK	STATE	AMOUNT	RANK	STATE	AMOUNT
1st	New York	\$28,301**	1st	New York	\$1,864
2nd	California	18,542	2nd	Connecticut	1,766
3rd	PENNSYLVANIA	16,058	3rd	Illinois	1,752
4th	Illinois	15,329	4th	California	1,711
5th	Ohio	12,590	5th	New Jersey	1,689
6th	Michigan	10,128	6th	Massachusetts	1,600
7th	Texas	9,868	7th	Michigan	1,583
8th	New Jersey	7,744**	8th	Ohio	1,582
9th	Massachusetts	7,520	9th	Maryland	1,547
10th	Indiana	5,735	10th	PENNSYLVANIA	1,523
11th	Wisconsin	4,941	11th	Indiana	1,451
12th	North Carolina	3,880	12th	Wisconsin	1,431
13th	Connecticut	3,556	13th	Texas	1,278
14th	Maryland	3,389**	14th	West Virginia	1,049
15th	West Virginia	2,110	15th	North Carolina	951

*Definition of "Total Incomes of Individuals" (from same source as figures): (1) wages and salaries after deduction for employees' contribution to social security, railroad retirement, cash sickness compensation, and government retirement programs; (2) proprietors' incomes, representing the net income of unincorporated establishments (including farms) before owners' withdrawals; (3) property income, consisting of dividends, interest, and net rents and royalties; and "other" income which includes public assistance and other direct relief; labor income items such as work relief, government retirement payments, veterans' pensions and benefits, workmen's compensation, social security benefits, and pay of military reservists; mustering-out-payments to discharged servicemen; family allowance payments and voluntary allotments of pay to dependents of military personnel; enlisted men's cash terminal leave bonds; and state government bonuses to veterans of World War II. Income payments are distributed among the states on a where received basis (with exceptions noted below in 1). Only payments made to residents are included in the estimates for the continental United States and individual states.

**The totals shown here for the states footnoted are not strictly measures of the income received by residents. The totals for New York are too high, and those for Maryland and New Jersey, too low—in terms of measures of total income received by residents. The estimates for New York include income paid to residents of New Jersey employed in New York, but do not include the income of New York residents employed in New Jersey. In the computation of per capita income for these states, the income totals shown were first adjusted to a residence basis before division by population. Following are the amounts (in millions) of the adjustments for 1950: Maryland +249; New York —480; New Jersey +480.

SOURCE: U. S. Department of Commerce: Bureau of Foreign and Domestic Commerce, Office of Business Economics: *Survey of Current Business*, August 1951, p. 17.

TABLE 7

State Expenditures FOR GENERAL CONTROL—1950

Total Expenditure (In thousands)			Per Capita Expenditure		
RANK	STATE	AMOUNT	RANK	STATE	AMOUNT
1st	California	\$44,500	1st	California	\$4.20
2nd	New York	44,200	2nd	Connecticut	3.44
3rd	PENNSYLVANIA	20,200	3rd	Maryland	3.12
4th	Illinois	16,900	4th	Massachusetts	3.05
5th	Massachusetts	14,300	5th	New York	2.98
6th	Ohio	11,600	6th	New Jersey	2.05
7th	Michigan	10,500	7th	Illinois	1.94
8th	Texas	10,200	8th	PENNSYLVANIA	1.92
9th	New Jersey	9,900	9th	West Virginia	1.89
10th	Maryland	7,300	10th	Indiana	1.73
11th	Connecticut	6,900	11th	Michigan	1.65
12th	Indiana	6,800	12th	Wisconsin	1.61
13th	Wisconsin	5,500	13th	Ohio	1.46
14th	North Carolina	4,600	14th	Texas	1.31
15th	West Virginia	3,800	15th	North Carolina	1.13
% of Total Income Payments to Individuals in State			% of Total State Expenditures		
RANK	STATE	AMOUNT	RANK	STATE	AMOUNT
1st	California .....	.240%	1st	New Jersey	5.63%
2nd	Maryland .....	.215	2nd	Connecticut	5.12
3rd	Connecticut .....	.194	3rd	Massachusetts	4.84
4th	Massachusetts .....	.190	4th	New York	4.45
5th	West Virginia .....	.180	5th	Maryland	4.36
6th	New York .....	.156	6th	California	4.25
7th	New Jersey .....	.128	7th	Illinois	3.95
8th	PENNSYLVANIA .....	.126	8th	Texas	3.04
9th	Indiana .....	.119	9th	Indiana	3.02
10th	North Carolina .....	.119	10th	West Virginia	2.95
11th	Wisconsin .....	.111	11th	Ohio	2.66
12th	Illinois .....	.110	12th	Wisconsin	2.57
13th	Michigan .....	.104	13th	PENNSYLVANIA	2.52
14th	Texas .....	.103	14th	Michigan	2.15
15th	Ohio .....	.092	15th	North Carolina	1.68

TABLE 8

State Expenditures FOR PUBLIC SAFETY—1950

Total Expenditure (In thousands)			Per Capita Expenditure		
RANK	STATE	AMOUNT	RANK	STATE	AMOUNT
1st	New York	\$33,600	1st	California	\$3.13
2nd	California	33,100	2nd	Connecticut	2.69
3rd	PENNSYLVANIA	23,000	3rd	New York	2.27
4th	Illinois	16,200	4th	PENNSYLVANIA	2.19
5th	Michigan	10,400	5th	West Virginia	1.94
6th	Ohio	9,400	6th	New Jersey	1.94
7th	New Jersey	9,400	7th	Massachusetts	1.94
8th	Massachusetts	9,100	8th	Illinois	1.86
9th	Texas	8,400	9th	Maryland	1.75
10th	Indiana	6,200	10th	Michigan	1.63
11th	Connecticut	5,400	11th	Indiana	1.57
12th	North Carolina	5,300	12th	North Carolina	1.30
13th	Maryland	4,100	13th	Ohio	1.18
14th	Wisconsin	4,000	14th	Wisconsin	1.17
15th	West Virginia	3,900	15th	Texas	1.08
% of Total Income Payments to Individuals in State			% of Total State Expenditures		
RANK	STATE	AMOUNT	RANK	STATE	AMOUNT
1st	West Virginia .....	.185%	1st	New Jersey	5.35%
2nd	California .....	.179	2nd	Connecticut	4.01
3rd	Connecticut .....	.152	3rd	Illinois	3.79
4th	PENNSYLVANIA .....	.143	4th	New York	3.38
5th	North Carolina .....	.137	5th	California	3.16
6th	New Jersey .....	.121	6th	Massachusetts	3.08
7th	Massachusetts .....	.121	7th	West Virginia	3.02
8th	Maryland .....	.121	8th	PENNSYLVANIA	2.87
9th	New York .....	.119	9th	Indiana	2.76
10th	Indiana .....	.108	10th	Texas	2.50
11th	Illinois .....	.106	11th	Maryland	2.45
12th	Michigan .....	.103	12th	Ohio	2.16
13th	Texas .....	.085	13th	Michigan	2.13
14th	Wisconsin .....	.081	14th	North Carolina	1.93
15th	Ohio .....	.075	15th	Wisconsin	1.86

TABLE 9

State Expenditures FOR HIGHWAYS—1950

Total Expenditure (In thousands)			Per Capita Expenditure		
RANK	STATE	AMOUNT	RANK	STATE	AMOUNT
1st	California	\$174,500	1st	North Carolina	\$22.37
2nd	New York	144,700	2nd	Maryland	22.36
3rd	PENNSYLVANIA	142,200	3rd	West Virginia	19.05
4th	Ohio	117,500	4th	California	16.48
5th	North Carolina	90,900	5th	Connecticut	15.64
6th	Illinois	89,900	6th	Wisconsin	14.99
7th	Texas	79,500	7th	Ohio	14.79
8th	Michigan	77,600	8th	PENNSYLVANIA	13.55
9th	New Jersey	58,800	9th	Indiana	13.29
10th	Maryland	52,400	10th	Michigan	12.17
11th	Indiana	52,300	11th	New Jersey	12.16
12th	Wisconsin	51,300	12th	Illinois	10.32
13th	Massachusetts	46,200	13th	Texas	10.23
14th	West Virginia	38,200	14th	Massachusetts	9.85
15th	Connecticut	31,400	15th	New York	9.75
% of Total Income Payments to Individuals in State			% of Total State Expenditures		
RANK	STATE	AMOUNT	RANK	STATE	AMOUNT
1st	North Carolina	2.343%	1st	New Jersey	33.47%
2nd	West Virginia	1.810	2nd	North Carolina	33.10
3rd	Maryland	1.546	3rd	Maryland	31.30
4th	Wisconsin	1.038	4th	West Virginia	29.61
5th	California .....	.941	5th	Ohio	26.98
6th	Ohio .....	.933	6th	Wisconsin	23.95
7th	Indiana .....	.912	7th	Texas	23.70
8th	PENNSYLVANIA .....	.886	8th	Connecticut	23.31
9th	Connecticut .....	.883	9th	Indiana	23.24
10th	Texas .....	.806	10th	Illinois	21.02
11th	Michigan .....	.766	11th	PENNSYLVANIA	17.76
12th	New Jersey .....	.759	12th	California	16.65
13th	Massachusetts .....	.614	13th	Michigan	15.87
14th	Illinois .....	.586	14th	Massachusetts	15.65
15th	New York .....	.511	15th	New York	14.56

TABLE 10

State Expenditures FOR NATURAL RESOURCES—1950

Total Expenditure (In thousands)			Per Capita Expenditure		
RANK	STATE	AMOUNT	RANK	STATE	AMOUNT
1st	California	\$48,300	1st	California	\$4.56
2nd	PENNSYLVANIA	27,100	2nd	Wisconsin	2.66
3rd	New York	16,400	3rd	PENNSYLVANIA	2.58
4th	Illinois	12,200	4th	North Carolina	1.75
5th	Michigan	10,500	5th	Maryland	1.66
6th	Wisconsin	9,100	6th	Michigan	1.65
7th	Ohio	8,400	7th	West Virginia	1.55
8th	North Carolina	7,100	8th	Indiana	1.45
9th	Texas	7,000	9th	Illinois	1.40
10th	Indiana	5,700	10th	Connecticut	1.35
11th	New Jersey	4,400	11th	New York	1.11
12th	Maryland	3,900	12th	Ohio	1.06
13th	Massachusetts	3,900	13th	New Jersey .....	.909
14th	West Virginia	3,100	14th	Texas .....	.907
15th	Connecticut	2,700	15th	Massachusetts .....	.83
% of Total Income Payments to Individuals in State			% of Total State Expenditures		
RANK	STATE	AMOUNT	RANK	STATE	AMOUNT
1st	California .....	.260%	1st	California	4.61%
2nd	Wisconsin .....	.184	2nd	Wisconsin	4.25
3rd	North Carolina .....	.183	3rd	PENNSYLVANIA	3.38
4th	PENNSYLVANIA .....	.169	4th	Illinois	2.85
5th	West Virginia .....	.147	5th	North Carolina	2.59
6th	Maryland .....	.115	6th	Indiana	2.53
7th	Michigan .....	.104	7th	New Jersey	2.50
8th	Indiana .....	.099	8th	West Virginia	2.40
9th	Illinois .....	.080	9th	Maryland	2.33
10th	Connecticut .....	.076	10th	Michigan	2.15
11th	Texas .....	.071	11th	Texas	2.09
12th	Ohio .....	.067	12th	Connecticut	2.00
13th	New York .....	.058	13th	Ohio	1.93
14th	New Jersey .....	.057	14th	New York	1.65
15th	Massachusetts .....	.052	15th	Massachusetts	1.32

TABLE 11

State Expenditures FOR HOSPITALS AND HEALTH—1950

Total Expenditure (In thousands)			Per Capita Expenditure		
RANK	STATE	AMOUNT	RANK	STATE	AMOUNT
1st	New York	\$153,000	1st	Connecticut	\$12.26
2nd	PENNSYLVANIA	91,600	2nd	New York	10.32
3rd	California	81,900	3rd	Massachusetts	9.79
4th	Illinois	59,300	4th	Maryland	9.05
5th	Michigan	54,500	5th	PENNSYLVANIA	8.73
6th	Massachusetts	45,900	6th	Michigan	8.55
7th	Ohio	43,600	7th	California	7.74
8th	Indiana	24,800	8th	Illinois	6.81
9th	Connecticut	24,600	9th	Indiana	6.30
10th	North Carolina	22,500	10th	North Carolina	5.54
11th	New Jersey	22,400	11th	Ohio	5.49
12th	Maryland	21,200	12th	Wisconsin	4.82
13th	Texas	18,400	13th	New Jersey	4.63
14th	Wisconsin	16,500	14th	West Virginia	4.14
15th	West Virginia	8,300	15th	Texas	2.37
% of Total Income Payments to Individuals in State			% of Total State Expenditures		
RANK	STATE	AMOUNT	RANK	STATE	AMOUNT
1st	Connecticut .....	.692%	1st	Connecticut	18.26%
2nd	Maryland .....	.626	2nd	Massachusetts	15.55
3rd	Massachusetts .....	.610	3rd	New York	15.40
4th	North Carolina .....	.580	4th	Illinois	13.86
5th	PENNSYLVANIA .....	.570	5th	New Jersey	12.75
6th	New York .....	.541	6th	Maryland	12.66
7th	Michigan .....	.538	7th	PENNSYLVANIA	11.44
8th	California .....	.442	8th	Michigan	11.15
9th	Indiana .....	.432	9th	Indiana	11.02
10th	West Virginia .....	.393	10th	Ohio	10.01
11th	Illinois .....	.387	11th	North Carolina	8.19
12th	Ohio .....	.346	12th	California	7.82
13th	Wisconsin .....	.334	13th	Wisconsin	7.70
14th	New Jersey .....	.289	14th	West Virginia	6.43
15th	Texas .....	.186	15th	Texas	5.49

TABLE 12

State Expenditures FOR PUBLIC WELFARE*—1950

Total Expenditure (In thousands)			Per Capita Expenditure		
RANK	STATE	AMOUNT	RANK	STATE	AMOUNT
1st	California	\$176,100	1st	California	\$16.63
2nd	New York	148,500	2nd	PENNSYLVANIA	10.34
3rd	PENNSYLVANIA	108,500	3rd	New York	10.01
4th	Illinois	84,200	4th	Massachusetts	9.74
5th	Ohio	58,800	5th	Illinois	9.66
6th	Michigan	56,400	6th	Michigan	8.85
7th	Massachusetts	45,700	7th	Connecticut	8.27
8th	Texas	36,700	8th	Ohio	7.40
9th	Connecticut	16,600	9th	Texas	4.72
10th	Wisconsin	14,500	10th	Wisconsin	4.24
11th	New Jersey	13,100	11th	West Virginia	4.19
12th	Indiana	8,800	12th	Maryland	3.16
13th	West Virginia	8,400	13th	New Jersey	2.71
14th	Maryland	7,400	14th	Indiana	2.24
15th	North Carolina	3,900	15th	North Carolina .....	.96

% of Total Income Payments to Individuals in State			% of Total State Expenditure		
RANK	STATE	AMOUNT	RANK	STATE	AMOUNT
1st	California .....	.950%	1st	Illinois	19.89%
2nd	PENNSYLVANIA .....	.676	2nd	California	16.81
3rd	Massachusetts .....	.608	3rd	Massachusetts	15.48
4th	Michigan .....	.557	4th	New York	14.95
5th	Illinois .....	.549	5th	PENNSYLVANIA	13.55
6th	New York .....	.525	6th	Ohio	13.50
7th	Ohio .....	.467	7th	Connecticut	12.32
8th	Connecticut .....	.467	8th	Michigan	11.53
9th	West Virginia .....	.398	9th	Texas	10.94
10th	Texas .....	.372	10th	New Jersey	7.46
11th	Wisconsin .....	.293	11th	Wisconsin	6.77
12th	Maryland .....	.218	12th	West Virginia	6.51
13th	New Jersey .....	.169	13th	Maryland	4.42
14th	Indiana .....	.153	14th	Indiana	3.91
15th	North Carolina .....	.101	15th	North Carolina	1.42

*National Industrial Conference Board: *Economic Almanac* figures for Public Welfare include those broken down in the Bureau of the Census: *Compendium of State Government Finances* under "Public Welfare" (Table 10) and "Employment Security Administration" (Table 21). The *Compendium* further breaks down Public Welfare into: "Care in State Institutions," "Public Assistance," "Child Welfare," and "Other." "Public Assistance" includes: "General Relief," "Old Age Assistance," "Aid to Dependent Children," "Aid to the Blind," "Veteran's Aid," and "Other" (Table 19).

TABLE 13

State Expenditure FOR EDUCATION—1950

Total Expenditure (In thousands)			Per Capita Expenditure		
RANK	STATE	AMOUNT	RANK	STATE	AMOUNT
1st	California	\$325,800	1st	California	\$30.78
2nd	New York	270,400	2nd	Michigan	29.80
3rd	Michigan	189,900	3rd	North Carolina	29.39
4th	Texas	158,500	4th	West Virginia	28.37
5th	PENNSYLVANIA	149,500	5th	Indiana	22.77
6th	Ohio	133,700	6th	Texas	20.40
7th	North Carolina	119,400	7th	Maryland	20.40
8th	Illinois	104,300	8th	New York	18.23
9th	Indiana	89,600	9th	Ohio	16.82
10th	West Virginia	56,900	10th	Connecticut	15.69
11th	Maryland	47,800	11th	PENNSYLVANIA	14.24
12th	Wisconsin	45,700	12th	Wisconsin	13.36
13th	Massachusetts	34,100	13th	Illinois	11.97
14th	New Jersey	33,700	14th	Massachusetts	7.27
15th	Connecticut	31,500	15th	New Jersey	6.97
% of Total Income Payments to Individuals in State			% of Total State Expenditures		
RANK	STATE	AMOUNT	RANK	STATE	AMOUNT
1st	North Carolina	3.077%	1st	Texas	48.26%
2nd	West Virginia	2.696	2nd	West Virginia	44.11
3rd	Michigan	1.875	3rd	North Carolina	43.48
4th	California	1.757	4th	Indiana	39.82
5th	Texas	1.606	5th	Michigan	38.83
6th	Indiana	1.562	6th	California	31.09
7th	Maryland	1.410	7th	Ohio	30.70
8th	Ohio	1.062	8th	Maryland	28.55
9th	New York .....	.955	9th	New York	27.21
10th	PENNSYLVANIA .....	.931	10th	Illinois	24.39
11th	Wisconsin .....	.925	11th	Connecticut	23.39
12th	Connecticut .....	.886	12th	Wisconsin	21.34
13th	Illinois .....	.680	13th	New Jersey	19.18
14th	Massachusetts .....	.453	14th	PENNSYLVANIA	18.67
15th	New Jersey .....	.435	15th	Massachusetts	11.55

TABLE 14**State Expenditures FOR CORRECTION—1950**

Total Expenditure (thousands)			Per Capita Expenditure		
RANK	STATE	AMOUNT	RANK	STATE	AMOUNT
1st	California	\$37,800	1st	California	\$3.57
2nd	New York	22,200	2nd	Maryland	2.26
3rd	Illinois	11,900	3rd	Massachusetts	1.70
4th	Michigan	10,000	4th	Michigan	1.56
5th	PENNSYLVANIA	8,600	5th	Connecticut	1.54
6th	Massachusetts	8,000	6th	New York	1.50
7th	Ohio	7,500	7th	Wisconsin	1.46
8th	New Jersey	5,600	8th	Illinois	1.37
9th	Maryland	5,300	9th	Indiana	1.22
10th	Wisconsin	5,000	10th	New Jersey	1.16
11th	Indiana	4,800	11th	Ohio .....	.94
12th	Texas	4,300	12th	West Virginia .....	.90
13th	Connecticut	3,100	13th	PENNSYLVANIA .....	.82
14th	North Carolina	2,200	14th	Texas .....	.55
15th	West Virginia	1,800	15th	North Carolina .....	.54
% of Total Income Payments to Individuals in State			% of Total State Expenditure		
RANK	STATE	AMOUNT	RANK	STATE	AMOUNT
1st	California .....	.204%	1st	California	3.61%
2nd	Maryland .....	.156	2nd	New Jersey	3.19
3rd	Massachusetts .....	.106	3rd	Maryland	3.17
4th	Wisconsin .....	.101	4th	Illinois	2.78
5th	Michigan .....	.099	5th	Massachusetts	2.71
6th	Connecticut .....	.087	6th	Wisconsin	2.33
7th	West Virginia .....	.085	7th	Connecticut	2.30
8th	Indiana .....	.084	8th	New York	2.23
9th	New York .....	.078	9th	Indiana	2.13
10th	Illinois .....	.078	10th	Michigan	2.04
11th	New Jersey .....	.072	11th	Ohio	1.72
12th	Ohio .....	.060	12th	West Virginia	1.40
13th	North Carolina .....	.057	13th	Texas	1.28
14th	PENNSYLVANIA .....	.054	14th	PENNSYLVANIA	1.07
15th	Texas .....	.044	15th	North Carolina .....	.80

TABLE 15

State Expenditures FOR INTEREST—1950

Total Expenditure (thousands)			Per Capita Expenditure		
RANK	STATE	AMOUNT	RANK	STATE	AMOUNT
1st	New York	\$17,800	1st	New York	\$1.20
2nd	Illinois	9,600	2nd	Illinois	1.10
3rd	Ohio	4,300	3rd	North Carolina .....	.96
4th	Michigan	4,300	4th	West Virginia .....	.80
5th	North Carolina	3,900	5th	Michigan .....	.67
6th	PENNSYLVANIA	3,800	6th	New Jersey .....	.64
7th	New Jersey	3,100	7th	Ohio .....	.54
8th	Massachusetts	2,700	8th	PENNSYLVANIA .....	.36
9th	California	2,500	9th	Maryland .....	.30
10th	West Virginia	1,600	10th	California .....	.24
11th	Texas	900	11th	Texas .....	.12
12th	Maryland	700	12th	Connecticut .....	.10
13th	Indiana	300	13th	Indiana .....	.07
14th	Connecticut	200	14th	Massachusetts .....	.06
15th	Wisconsin	100	15th	Wisconsin .....	.03

% of Total Income Payments to Individuals in State			% of Total State Expenditure		
RANK	STATE	AMOUNT	RANK	STATE	AMOUNT
1st	North Carolina .....	.10%	1st	Illinois	2.24%
2nd	West Virginia .....	.076	2nd	New York	1.79
3rd	Illinois .....	.063	3rd	New Jersey	1.76
4th	New York .....	.063	4th	North Carolina	1.42
5th	Michigan .....	.042	5th	West Virginia	1.24
6th	New Jersey .....	.040	6th	Ohio .....	.99
7th	Massachusetts .....	.036	7th	Massachusetts .....	.91
8th	Ohio .....	.034	8th	Michigan .....	.88
9th	PENNSYLVANIA .....	.024	9th	PENNSYLVANIA .....	.47
10th	Maryland .....	.021	10th	Maryland .....	.42
11th	California .....	.013	11th	Texas .....	.27
12th	Texas .....	.0091	12th	California .....	.24
13th	Connecticut .....	.0056	13th	Connecticut .....	.15
14th	Indiana .....	.0052	14th	Indiana .....	.13
15th	Wisconsin .....	.0020	15th	Wisconsin .....	.05

TABLE 16

**POPULATION OF 15 SELECTED STATES
1900-1950**

(In thousands)

	1900	1910	1920	1930	1940	1950	INCREASE 1950 OVER 1940	
							Number	%
TOTAL—U. S. *	75,995	91,972	105,711	122,775	131,669	150,697	19,028	14.4
California	1,485	2,378	3,427	5,677	6,907	10,586	3,679	53.3
Connecticut	908	1,115	1,381	1,607	1,709	2,007	298	17.4
Illinois	4,822	5,639	6,485	7,631	7,897	8,712	815	10.3
Indiana	2,516	2,701	2,930	3,239	3,428	3,934	506	14.8
Maryland	1,188	1,295	1,450	1,632	1,821	2,343	522	28.6
Massachusetts	2,805	3,366	3,852	4,250	4,317	4,691	374	8.7
Michigan	2,421	2,810	3,668	4,842	5,256	6,372	1,116	21.2
New Jersey	1,884	2,537	3,156	4,041	4,160	4,835	675	16.2
New York	7,269	9,114	10,385	12,588	13,479	14,830	1,351	10.0
North Carolina	1,894	2,206	2,559	3,170	3,572	4,062	490	13.7
Ohio	4,158	4,767	5,759	6,647	6,908	7,947	1,039	15.0
PENNSYLVANIA	6,302	7,665	8,720	9,631	9,900	10,498	598	6.0
Texas	3,049	3,897	4,663	5,825	6,415	7,711	1,296	20.2
West Virginia	959	1,221	1,464	1,729	1,902	2,006	104	5.4
Wisconsin	2,069	2,334	2,632	2,939	3,138	3,435	297	9.5

(PER CENT OF U. S. TOTAL)

TOTAL—U. S.	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
California	2.0	2.6	3.2	4.6	5.2	7.0
Connecticut	1.2	1.2	1.3	1.3	1.3	1.3
Illinois	6.3	6.1	6.1	6.2	6.0	5.8
Indiana	3.3	2.9	2.8	2.6	2.6	2.6
Maryland	1.6	1.4	1.4	1.3	1.4	1.6
Massachusetts	3.7	3.7	3.6	3.5	3.3	3.1
Michigan	3.2	3.0	3.5	3.9	4.0	4.2
New Jersey	2.5	2.8	3.0	3.3	3.2	3.2
New York	9.6	9.9	9.8	10.2	10.2	9.8
North Carolina	2.5	2.4	2.4	2.6	2.7	2.7
Ohio	5.5	5.2	5.4	5.4	5.2	5.3
PENNSYLVANIA	8.3	8.3	8.2	7.8	7.5	7.0
Texas	4.0	4.2	4.4	4.7	4.9	5.1
West Virginia	1.3	1.3	1.4	1.4	1.4	1.3
Wisconsin	2.7	2.5	2.5	2.4	2.4	2.3

SOURCE: U. S. Census Bureau.

*Includes District of Columbia.

TABLE 17

MAJOR SOURCES OF INCOME PAYMENTS
as a Per Cent of Total Income, 1940 and 1950

STATE	Agricultural income		Government income payments		Manufactur- ing pay rolls		Trade and service income	
	1940	1950	1940	1950	1940	1950	1940	1950
California	6.5	6.7	16.0	18.7	12.5	15.2	30.1	29.5
Connecticut	2.0	1.7	9.5	11.2	34.0	35.6	21.2	23.1
Indiana	7.4	8.3	12.8	12.2	30.7	34.2	21.8	23.7
Illinois	4.6	5.4	12.6	12.5	23.1	27.4	26.7	26.5
Maryland	3.6	2.9	13.0	18.9	21.1	20.6	23.9	27.1
Massachusetts	1.1	1.0	14.9	16.7	23.8	28.6	24.7	26.1
Michigan	4.4	3.2	12.3	12.3	38.2	41.1	22.2	22.7
New Jersey	1.6	1.8	12.2	13.6	30.4	33.1	22.1	25.0
New York	1.4	1.3	13.3	13.9	17.8	22.8	30.0	31.7
North Carolina	17.4	15.7	13.6	17.4	24.6	25.2	22.0	22.2
Ohio	4.0	3.7	12.4	12.8	30.5	34.0	23.7	24.4
PENNSYLVANIA	2.2	2.0	13.3	15.4	25.8	28.7	23.0	24.5
Texas	15.1	13.3	13.6	17.6	9.0	11.2	25.4	26.3
West Virginia	5.5	4.1	13.1	14.8	18.5	19.2	19.3	21.3
Wisconsin	11.7	10.0	14.8	12.2	26.1	29.8	23.0	24.6
TOTAL FOR CONTINENTAL UNITED STATES	7.2	7.5	14.5	16.2	20.3	22.6	25.5	26.3

SOURCE: U. S. Department of Commerce, Office of Business Economics.

TABLE 18

INCOME PAYMENTS TO INDIVIDUALS
In 15 Selected States, 1930-1950

(In millions)

	1930	1935	1940	1945	1950	INCREASE 1950 OVER 1940	
						AMOUNT	%
TOTAL—U. S.*	\$73,325	\$58,558	\$75,852	\$157,190	\$217,245	\$141,393	186.4
California	4,878	3,904	5,606	13,882	18,542	12,936	230.8
Connecticut	1,337	1,096	1,417	2,604	3,556	2,139	151.0
Illinois	5,903	4,222	5,740	10,849	15,329	9,589	167.1
Indiana	1,595	1,312	1,858	4,113	5,735	3,877	208.7
Maryland	1,036	871	1,222	2,539	3,389	2,167	177.3
Massachusetts	3,512	2,757	3,309	5,606	7,520	4,211	127.3
Michigan	2,940	2,469	3,425	6,902	10,128	6,703	195.7
New Jersey	3,081	2,361	3,138	5,797	7,744	4,606	146.8
New York	13,346	9,941	11,830	20,647	28,301	16,471	139.2
North Carolina	812	915	1,131	2,651	3,880	2,749	243.1
Ohio	4,251	3,447	4,448	9,122	12,590	8,142	183.0
PENNSYLVANIA	6,638	4,989	6,225	11,469	16,058	9,833	158.0
Texas	2,239	1,960	2,652	6,676	9,868	7,216	272.1
West Virginia	682	623	760	1,497	2,110	1,350	177.6
Wisconsin	1,587	1,258	1,622	3,488	4,941	3,319	204.6

(PER CENT OF U. S. TOTAL)

TOTAL—U. S.	100.0%	100.0%	100.0%	100.0%	100.0%
California	6.6	6.7	7.4	8.8	8.5
Connecticut	1.8	1.9	1.9	1.7	1.6
Illinois	8.0	7.2	7.6	6.9	7.1
Indiana	2.2	2.2	2.4	2.6	2.6
Maryland	1.4	1.5	1.6	1.6	1.6
Massachusetts	4.8	4.7	4.4	3.6	3.5
Michigan	4.0	4.2	4.5	4.4	4.7
New Jersey	4.2	4.0	4.1	3.7	3.6
New York	18.2	17.0	15.6	13.1	13.0
North Carolina	1.1	1.6	1.5	1.7	1.8
Ohio	5.8	5.9	5.9	5.8	5.8
PENNSYLVANIA	9.0	8.5	8.2	7.3	7.4
Texas	3.1	3.3	3.5	4.2	4.5
West Virginia	0.9	1.1	1.0	0.9	1.0
Wisconsin	2.2	2.1	2.1	2.2	2.3

SOURCE: "Survey of Current Business," August 1951.

*Includes District of Columbia.

TABLE 19

TRENDS IN INDUSTRIAL DEVELOPMENT **In 15 Selected States**

As Indicated by Changes in "Value Added by Manufacture"*

(In millions)

	1899	1909	1919	1929	1939	1947
TOTAL—U. S.**	\$4,831	\$8,529	\$24,901	\$31,885	\$24,487	\$74,426
California	92	205	742	1,349	1,123	3,995
Connecticut	145	233	704	806	690	1,897
Illinois	439	758	1,929	2,930	2,187	6,680
Indiana	142	245	722	1,136	965	2,978
Maryland	82	117	322	422	421	1,138
Massachusetts	409	660	1,747	1,711	1,181	3,370
Michigan	144	316	1,545	2,067	1,794	5,196
New Jersey	218	425	1,398	1,771	1,518	4,177
New York	853	1,513	3,909	4,974	3,314	9,667
North Carolina	40	95	414	693	544	1,647
Ohio	339	614	2,183	2,890	2,116	6,359
PENNSYLVANIA	692	1,044	3,093	3,431	2,477	6,947
Texas	39	95	296	460	449	1,727
West Virginia	30	69	200	252	213	664
Wisconsin	141	244	716	950	682	2,261

(PER CENT OF U. S. TOTAL)

	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
TOTAL—U. S.	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
California	1.9	2.4	3.0	4.2	4.6	5.4
Connecticut	3.0	2.7	2.8	2.5	2.8	2.5
Illinois	9.1	8.9	7.7	9.2	8.9	9.0
Indiana	2.9	2.9	2.9	3.6	3.9	4.0
Maryland	1.7	1.4	1.3	1.3	1.7	1.5
Massachusetts	8.5	7.7	7.0	5.4	4.8	4.5
Michigan	3.0	3.7	6.2	6.5	7.3	7.0
New Jersey	4.5	5.0	5.6	5.6	6.2	5.6
New York	17.6	17.7	15.7	15.6	13.5	13.0
North Carolina	0.8	1.1	1.7	2.2	2.2	2.2
Ohio	7.0	7.2	8.8	9.1	8.6	8.5
PENNSYLVANIA	14.3	12.2	12.4	10.8	10.1	9.3
Texas	0.8	1.1	1.2	1.4	1.8	2.3
West Virginia	0.6	0.8	0.8	0.8	0.9	0.9
Wisconsin	2.9	2.9	2.9	3.0	2.8	3.0

SOURCE: "Census of Manufactures," Vol. 1, 1947, Table 4, U. S. Department of Commerce.

*Represents value of products less cost of materials, supplies, fuel, electricity and contract work.

**The amounts shown as U. S. Totals for 1899-1929 represent the addition of State figures given in Table 4 of the Census publication.

TABLE 20

TREND OF MANUFACTURING ACTIVITY IN PENNSYLVANIA

(In Thousands)

	1947	1948	1949	1950	9 MONTHS 1951
<u>TOTAL MANUFACTURING</u>					
Total Employment	1,440				
Production Workers					
Employment	1,220	1,219	1,086	1,121	1,193
Pay Rolls (per week) \$	58,578	\$ 64,377	\$ 57,490	\$63,990	\$75,617
Value Added					
U. S. Census of Manufactures . .	\$6,946,958				
Penna. Census of Productive					
Industry	\$ 6,783,871	\$7,565,234	\$7,062,567		
<u>DURABLE GOODS INDUSTRIES</u>					
Production Workers					
Employment	700	701	602	631	709
Pay Rolls (per week)	\$36,506	\$40,344	\$34,699	\$39,332	\$49,490
<u>NON-DURABLE GOODS INDUSTRIES</u>					
Production Workers					
Employment	520	518	484	490	484
Pay Rolls (per week)	\$22,072	\$24,033	\$22,791	\$24,658	\$26,127

SOURCES: Figures for 1947 are from U. S. Census of Manufactures except as noted. Estimates of production worker employment and pay rolls are regularly compiled by the Federal Reserve Bank of Philadelphia and are based on U. S. Census data for 1947.



